

Government of Montenegro

Ministry of Agriculture, Forestry and Water Management

Questionnaire

Information requested by the European Commission to the Government of Montenegro for the preparation of the Opinion on the application of Montenegro for membership of the European Union

11 Agriculture and rural development

Minister: Milutin Simovic

Podgorica, December 2009

TABLE OF CONTENTS

CHAPTERS OF THE ACQUIS – ABILITY TO ASSUME THE OBLIGATIONS OF MEMBERSHIP .	5
Chapter 11: Agriculture and rural development	6
I. HORIZONTAL	7
II. PRODUCT-SPECIFIC AGRICULTURAL POLICY FRAMEWORK.....	59
III. RURAL DEVELOPMENT	128
IV. QUALITY POLICY.....	160
V. ORGANIC FARMING.....	163
VI. AGRICULTURAL STATISTICS	174
A. General and product specific statistics.....	174
B. Rural development statistics	233

**CHAPTERS OF THE ACQUIS – ABILITY TO ASSUME THE
OBLIGATIONS OF MEMBERSHIP**

Chapter 11: Agriculture and rural development

I. HORIZONTAL

1. Please provide, with an indication of recent and expected future developments, a general description of:

- the national and regional farm income policy, production and structural policy (in particular rural development policy)

Introduction

Primary agriculture's contribution in Montenegro's Gross Domestic Product totals 11.3%, and with processing sector added to it, more than one-fifth of GDP is drawn from the food and beverages production sector.

Agricultural land accounts for 38% (518,067 ha) of the total territory of Montenegro. The greatest share in the agricultural land resources consists of pastures and grassland (88%), which are used extensively.

Covering a relatively small area, Montenegro's agriculture is quite diversified – from growing olive and citrus fruits in the coastal region, through early season vegetables and tobacco in the central parts to extensive livestock breeding in the northern area. On the other hand, commercial production of wheat, maize, sugar beet and oil crops is practically non-existent, which essentially differentiates the Montenegrin agriculture even from countries in its closest surrounding.

The structural characteristics are rather unfavourable: small family holdings prevail, fragmented and plotted holdings with low productivity, resulting in relatively low competitiveness of the majority of agricultural products.

Montenegro's agriculture has its advantages, which are reflected in unexhausted land resources, low use of chemical agents – giving opportunity for organic production of the majority of products, specific and traditional products that may be marketed through consumption in tourism.

As regards production and consumption balance, Montenegro is import-dependent, with annual deficit totalling approximately EUR 150 million and import-export coverage of up to 30%.

Agriculture is still by far the most important activity of the rural population. It is very production-intensive and plays a role of an important social buffer – more than 60 000 households in Montenegro provide their income partly or entirely in agriculture. This is particularly important in the less developed northern region of Montenegro, where the multiple role of agriculture is fully expressed and where it plays an important role in poverty reduction in rural areas.

National agricultural policy and rural development policy

Reforms in agriculture so far

The transition process that Montenegro's economy has undergone in the past two decades included the sector of agriculture, as well. The most important changes took the following several directions:

- Introduction of market principles, abolishing state interventionism and abandoning the former concept of agricultural policy that had been dominantly focused on social sector development;
- Re-direction of support to agriculture development towards family holdings and improvement of living conditions in rural areas;

- Adjusting the policy of foreign trade protection to the developmental needs of agriculture and the processing industry with gradual harmonization with the World Trade Organization principles (WTO);
- Introduction of technological innovations into production, increasing the level of qualification and education of producers and technical services in agriculture;
- Strengthening of institutional support to the sector of agriculture through: setting-up of professional services, modernization of existing and establishing of new laboratories, reforms of the veterinary service and human resource development in general.

Concurrently with the reform processes stated above, agriculture has lately been characterised also by intensive international integration processes (EU integrations, WTO, regional agreement – CEFTA, etc.)

General agricultural policy framework

Agricultural reform in Montenegro was practically intensified in 2006.

Namely, in July 2006, the Ministry of Agriculture, Forestry and Water Management (MAFWM) presented its Agriculture and Rural Development Strategy for the period 2007 – 2013, which is in accordance with and builds upon the previously adopted national strategic documents such as the Economic Reforms Agenda from 2003 and 2005 and the Poverty Reduction Strategy from 2003.

The Agricultural Strategy promotes the “sustainable agriculture concept”, which lays emphasis on the multifunctional role of agriculture in its economic, environmental, spatial and social dimension, placing agriculture into a significantly wider context than its significance in terms of its contribution to the total GDP.

The Strategy sets out the following developmental objectives:

- a) sustainable resource management;
- b) a stable and acceptable offer of safe food;
- c) ensuring appropriate standard of living for the rural population; and
- d) enhancing the competitiveness of food producers.

The strategy provides frameworks for further restructuring and building of a modern role of the state, which should enable, in the near future, the approximation to the European Union in this field.

The Strategy provides for preparation of a number of documents, as its follow-up. The most important is the National Program of Food Production and Rural Development. It was finished in autumn 2008 and adopted by the Government in November 2008.

The National Program for Food Production and Rural Development is the document of the Ministry of Agriculture, Forestry and Water Management, prepared based on the technical assistance of an EAR project Programming and Development of Rural Areas in Montenegro.

The document consists of four chapters: I) Starting points; II) Measure description; III) Financial plan and IV) Program implementation.

In chapter Starting Points, the objectives of the Program are presented, together with the strategic and legal framework and conceptual starting points for agricultural policy, as well as its adjustment to the requirements of the EU model of support to agriculture. In the second chapter, the measures of agricultural policy categorized by main components are presented in detail and rural development policy by key axes, as well. Each of the measures includes the elements necessary for the implementation. In the third chapter, the financial plan for the period of five years is presented by groups of measures and by each measure separately, with financial support sources indicated. The last chapter provides an overview of ensuring the conditions necessary for implementation of the agricultural policy proposed, starting from setting up of new and strengthening of the existing administrative capacities to establishing of infrastructural preconditions in the field.

Significant support to implementation of the National Program will be implementation of the ongoing twinning project “Support to Establish an IPA Rural Development Programming and Implementation System”, which will result in development of an IPARD plan, to be finished by the

end of 2011, as well as in full training of the service for its implementation – Rural Development Unit and setting up of a Paying Agency.

Principles observed through the reform documents include:

- Clear vision;
 - Phased approach, step by step towards the objective;
 - Legal framework – laws as a stimulation framework for development, applicable and harmonized with the EU *Acquis*;
 - Respecting specific characteristics of Montenegro,
 - Continuance of a consistent policy,
- In essence, the National Program adopted represents, first and foremost, the following:
- An operational document for Strategy implementation
 - A framework for harmonization of Montenegro’s agricultural policy with the EU Common Agricultural Policy (CAP),
 - Selection and definition of measures (classified by policy types, with the most important details),
 - Multi-annual budget plan (indicative-approximate figures),
 - Framework for donor support,
 - Instrument for strengthening of institutional support to agriculture and for improving the budgetary procedures.

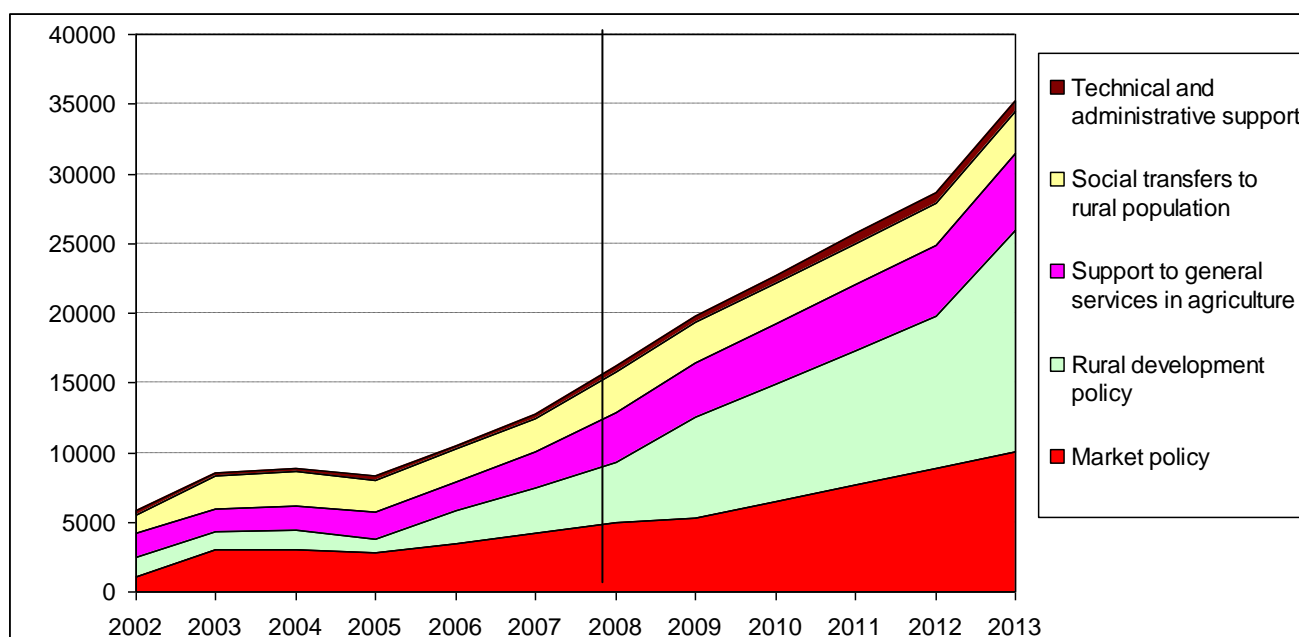
The main principles observed through the National Plan:

1. Introduction of measures from the Common Agricultural Policy (CAP) “CAP-like” measures
 - a. Respecting WTO principles,
 - b. Respecting the EU conditions and specific characteristics of Montenegro for efficient implementation of measures,
 - c. More complex measures to be introduced later on,
 - d. Accomplish a high level of harmonization with CAP by 2013.
2. Gradual approach – in introduction of new and abolishing of old measures
3. Acknowledging the existing capacity (administrative and financial ones) and their gradual strengthening,
4. Improving implementation of measures:
 - a) Clear criteria and implementation requirements
 - b) Clear procedures for use of measures
 - c) Developed monitoring, control and supervision.

Agricultural policy measures (National program of agriculture and rural development 2009-2013)

Group of measures	Number of measures	National budget structure '09-13, %
1. Market-price policy measures	9	29.0
2. Rural development measures	17	39.1
3. Support to general services in agriculture	8	18.1
4. Social transfers to rural population	1	11.2
5. Technical and administrative support to implementation program	1	2.5
Total	36	100.0

Financial plan structure 2002-2013, (000 EUR)



Legal framework

Following the adoption of the Strategy, 13 new laws in the field of agriculture and food safety were passed in Montenegro (Law on Wine – Official Gazette of the Republic of Montenegro 36/07; Law on Plant Nutrition Products - Official Gazette of Montenegro 48/07; Law on Plant Varieties Protection - Official Gazette of Montenegro 48/07 and Official Gazette of Montenegro 48/08; Law on Genetically Modified Organisms - Official Gazette of Montenegro 22/08; Law on Plant Protection Products - Official Gazette of Montenegro 51/08; Law on Animal Identification and Registration - Official Gazette of the Republic of Montenegro 48/07; Law on Food Safety - Official Gazette of Montenegro 14/07; Law on Freshwater Fisheries - Official Gazette of Montenegro 11/07; Law on Animal Welfare Protection - Official Gazette of Montenegro 14/08; Law on Tobacco - Official Gazette of Montenegro 48/08 and 76/08; Law on Ratification of the International Convention on Plant Protection; Law on Marine Fisheries - Official Gazette of Montenegro 56/09; Law on Agriculture and Rural Development - Official Gazette of Montenegro 56/09) **Annex 39**) while laws on livestock breeding, on agricultural cooperatives and alcoholic beverages are being developed.

In July 2009, the Parliament of Montenegro passed (with only one vote against) the Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09), which is the basic legal document for organization of agricultural policy and that we symbolically named as „the small constitution of agriculture“.

The Law governs, among others, the following: development of agriculture and rural areas; objectives and measures of agricultural policy; incentives in agriculture and eligibility criteria; incentive beneficiaries; supplementary activities in agriculture; organisational forms in agriculture; activities of public interest; establishing of a paying agency; registers and records as well as other issues of relevance for development of agriculture and rural areas.

With this Law, the agricultural policy of Montenegro is pursued in accordance with the Strategy and the National Program of Food Production and Rural Development, adopted by the Government for the period of 5 years.

In essence, the Law takes over the objectives and the agricultural policy from the Strategy and gives them the necessary legal form. The Law elaborates in detail the chapter of Agricultural Policy Measures, where the general agricultural policy is classified into four main groups: market-price, rural development policy, activities of public interest and social transfers to rural population.

In the field of market-price policy, the main form of support to production is direct headage payments in livestock and payments per hectare of area in plant production.

Rural development policy has an important place in agricultural policy, and it is implemented in four main measure groups. The first group (axis) is focused on strengthening the competitiveness of food producers primarily through support to investments in primary production and processing industry, investments for implementation of land policy, support to introduction of international standards and organization and connecting of producers. The second group (axis) concerns sustainable resource management, where support is planned for development of areas with limited opportunities for agriculture and agro-environmental measures. The third group (axis) includes measures of support to quality of life in rural areas (construction of rural infrastructure and village revitalization program) and diversification of economic activities in rural areas, whether in the form of additional activities in agricultural holdings or in the form of support to entrepreneurship, development of small enterprises and various forms of tourism. The fourth group of rural development measures should affirm and support local communities and local groups in development and implementation of their strategies and developmental projects.

The third component of agricultural policy refers to financial support to implementation of activities of public interest: extension affairs, professional affairs in livestock and plant production, support to researches, analyses and education in agriculture, with rules defined as a basis for implementation of support to implementation of activities of public interest.

The fourth component of agricultural policy concerns social transfers to family agricultural holdings and allowances for payment of contributions for compulsory social insurance of farmers.

The law defines incentive beneficiaries, the method and procedure for implementation of agricultural policy, setting up of the agency for payments in agriculture which will implement the obligations for implementation of incentives and other forms of support to agriculture and rural development, from the national budget and from the donor funds, and in particular the IPARD support in the pre-accession period.

Organization in agriculture in accordance with the modern European models of organization has an important place in the Law, as well as the issue of supplementary activities in family agricultural holdings, registers and records necessary for operation of the whole system of support and for adjustment to the system operating in the EU.

Council for Agriculture and Rural Development

In order to provide technical assistance concerning the implementation of the Strategy, the National Program, the international agreements in the field of agriculture, Agro-budget, the Annual report on situation in agriculture and census preparation, the Law on Agriculture and Rural Development provides for establishing of the Council for Agriculture and Rural Development whose members are representatives of:

- Ministry of Agriculture, Forestry and Water Management (1 member);
- Chamber of Commerce (1 member);
- Union of Employers (1 member);
- Cooperatives Confederation (1 member);
- Associations (NGOs) of agricultural producers at the national level (1 member);
- Organizations of agricultural producers at the national level (1 member);
- High education and scientific and professional institutions dealing with agriculture and rural development (2 members);
- Agricultural Paying Agency (1 member);
- Eminent experts in certain fields of agriculture (2 members).

- the budget earmarked and used for this general agricultural policy framework

Plan of use of funds for support to agriculture and fisheries development – Agro-budget

Prior to adoption of the Law on Agriculture and Rural Development, the legal basis for adoption of the Plan of use of funds for support to agriculture and fisheries development (Agro-budget) had been the Law on Provision and Earmarking of Funds for Support to Agriculture Development

(Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92), on the basis of which programs of support to agricultural development, contracted services in agriculture, social allowances for old-farmer households, expenditures for local infrastructure and rural developments had been developed through annual plans.

In the period 1998 – 2009 the par value of agricultural budget was increased by seven times. The Ministry of Agriculture, Forestry and Water Management (MAFWM) used to present the expenditures in agro-budget by agricultural sectors, while as of 2006 it has changed to presentation by functions. This change has increased the transparency of Agro-budget by reflecting the structure of the Food Production and Rural Development Strategy by making a distinction between market-price support, rural development, services and old farmers allowance program as the main pillars of support in the sector of agriculture and fisheries.

MAFWM thus started transferring the public expenditures, harmonize and implement it with the Strategy and the National Program adopted in the meantime. It was, in qualitative terms, a new approach to agricultural policy that has been implemented for four years already.

The major structural changes after 2006 reflected on the more intensive measures in the rural development field and in food safety measures, i.e. veterinary issues.

Expenditures for general services, education and research in agriculture have mainly remained constant as a par value.

The basis for the preparation of this year's Agro-budget 2009, is the National Program, since the National Program is a multi-annual budgetary plan, with the year 2009 as the first year of its implementation. Furthermore, the Agro-budget also includes two measures of support to the fisheries sector.

The procedure of preparation and implementation of Agro-budget has, in addition to the abovementioned, acknowledged the following:

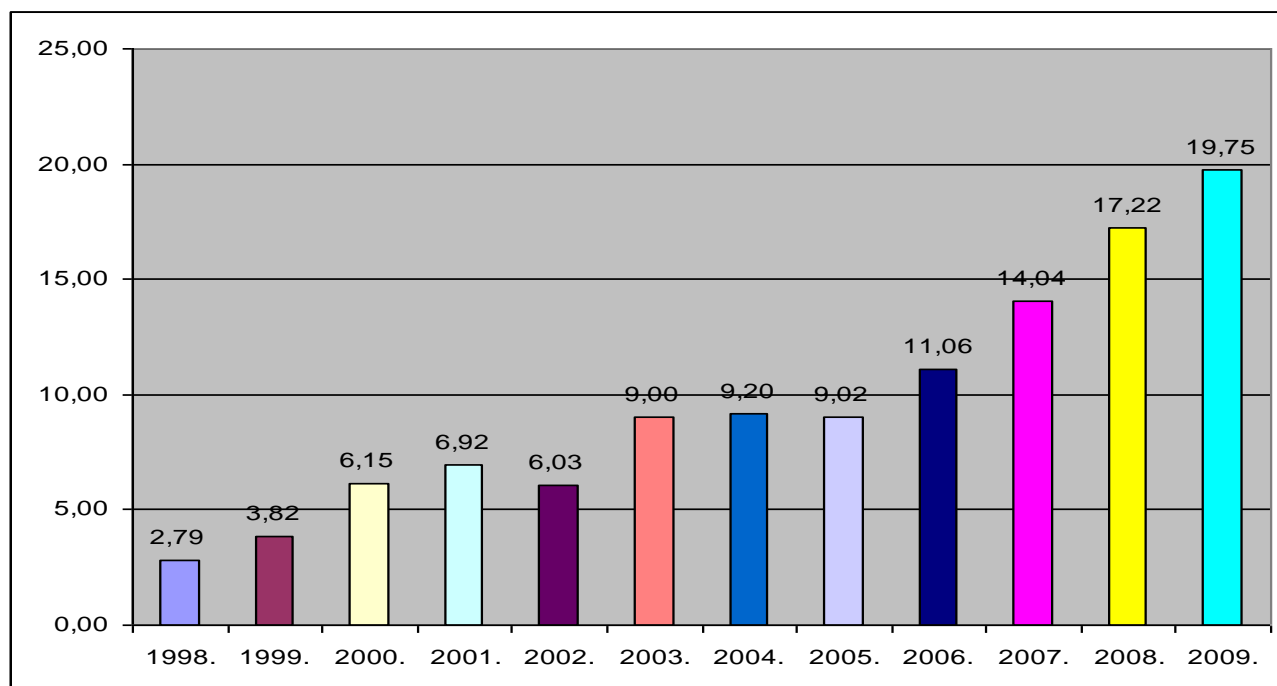
- Analysis of programs – budgetary lines from the previous years;
- Assessments, suggestions and recommendations of budgetary funds beneficiaries;
- Coordination of development – teams and persons responsible in the Ministry;
- Defining programs with all significant elements;
- Ensuring the hierarchy of responsibilities of institutions implementing the program and the role of the Ministry in the phase of supervision and control,

Basically, the Agro-budget is implemented in two ways:

1. Ministry and administrations implement the support directly – end-users (associations, business entities or individuals) file applications and following the processing and justification thereof, they exercise the right to support;
2. Implementation is delegated by a contract to the institutions responsible:
 - a) Biotechnical Faculty (scientific centres, laboratories, Extension Service in Plant Production and Livestock Selection Service) and
 - b) Other institutions

11 Agriculture and rural development

Agro-budget (utilized 1998-2008) and earmarked for 2009¹, EUR mil.



Type of support provided through Agro-budget for 2009		Number of measures
A) Agriculture	Market- price policy	9
	Rural development policy	16
	General services	8
	Old age allowance program	1
	Technical support	1
	Agricultural census	1
B) Fisheries	Development of marine fisheries and mariculture	1
	Development of freshwater fishery and aquaculture	1
C) Budgetary reserve		
Total		38

AGRO-BUDGET OVERVIEW BY MEASURES AND PROGRAMS

Program title	
A) AGRICULTURE	
1	MARKET-PRICE POLICY MEASURES
1.1	Direct payments
1.1.1	Direct support to livestock production
1.1.2	Support to dairy production for market
1.1.3	Support to strengthening of milk collection network
1.1.4	Support to collecting and slaughter of cattle
1.1.5	Direct support to crop production
1.1.6	Support to tobacco production
1.2	Bee-keeping development program
1.3	Market stabilization measures
1.3.1	Market intervention program
1.3.2	Risk management in agriculture
2	RURAL DEVELOPMENT MEASURES
2.1	Axis 1: Measures for improving competitiveness of agriculture
2.1.1	Support to investments in agricultural equipment and mechanization
2.1.2	Support to investments in livestock farms
2.1.3	Support to setting-up of perennial plantations
2.1.4	Support to construction and equipping of greenhouses
2.1.5	Support to investments related to land policy
2.1.6	Support to investments into processing of animal products

¹ Following the adoption of the Law on Amendments to the Law on Budget 2009, in August 2009 (the so-called budget revision), Agro-budget 2009 has been reduced and it amounts to 18 113 043.9€.

11 Agriculture and rural development

2.1.7	Support to investments in storage, packing and processing of plant products
2.1.8	Support to investments in processing on family holdings
2.1.9	Support to producer organizations
2.1.10	Improving the quality of products
2.1.11	Promotion of agricultural products
2.2	Axis 2: Measures for sustainable natural resources management
2.2.1	Preservation of genetic resources in agriculture
2.2.2	Organic agriculture
2.2.3	Sustainable use of mountain pastures
2.3	Axis 3: Measures for improving the quality of life and diversification of economic activities in rural areas
2.3.1	Diversification of economic activities in rural areas
2.3.2	Revitalization and development of rural areas and construction of rural infrastructure
3	SUPPORT TO GENERAL SERVICES IN AGRICULTURE
3.1	Education, research, development and analyses
3.2	Program of livestock breeding improvement
3.3	Program of professional and extension services for livestock production
3.4	Program of professional services for plant production
3.5	Program of extension services in plant production
3.6	Program of product quality control measures
3.7	Program of phytosanitary measures
3.8	Operational program of animal health protection
4	SOCIAL TRANSFERS TO RURAL POPULATION
4.1	<i>Old age allowance program</i>
5	TECHNICAL AND ADMINISTRATIVE SUPPORT TO PROJECT IMPLEMENTATION
6	IMPLEMENTATION OF AGRICULTURAL CENSUS
B) FISHERIES	
B.1	Support to development of marine fishery and mariculture
B.2	Support to development of freshwater fishery and aquaculture
C) RESERVES FOR BUDGETARY CONTINGENCIES	

- the administrative structure in place at the national and/or regional level (e.g. Ministry of Agriculture, Intervention Agencies, Advisory Boards, etc.) involved in agricultural policy formulation, execution, monitoring, and control, and

Overview of the existing institutional support to development of agriculture (administrative structures)

Ministry of Agriculture, Forestry and Water Management

The Ministry proposes systemic solutions in agriculture, sets forth agricultural policy and undertakes measures for its implementation and proposes to the Government the scope of incentives for agriculture and rural development (Agro-budget) within the Budget of Montenegro and a series of other documents, regulations and acts necessary for a smooth operation of the agricultural sector. It proposes adoption of laws and other regulations in the agriculture and veterinary fields, proposes measures and analyses its effect on the economic position and business conditions in agriculture and agro-industry. It follows the production conditions and price trends, supervises the enforcement of the laws in this field, performs the affairs of inspection control, etc.

The Ministry comprises of 3 sectors:

- Sector of Agriculture
- Sector of Forestry and Hunting
- Sector of Water Management

The Sector of Agriculture has two departments - the Department for Agriculture and the Department for Inspection Supervision. Through six specialized units² each with one employee, the Department for Agriculture deals with development of policy and regulations in the field of agriculture and agro-industry, administrative supervision of agricultural policies and law

² Livestock breeding; fruit and grape vine growing; crop and vegetable production; fisheries and bee keeping; organic agriculture and agro-industry; international co-operation.

implementation. The Department for Inspection Supervision has two units, one for control at the border (5 employees, which has to a large extent been transformed into the Phytosanitary Administration) and one for internal control – agricultural inspectorate (7 employees; plus one Department Head). Since the beginning of 2009, the Phytosanitary Administration has been established, employing 18 persons, including the phytosanitary inspectors, and its activities have been taken over from the Ministry's scope of authorities.

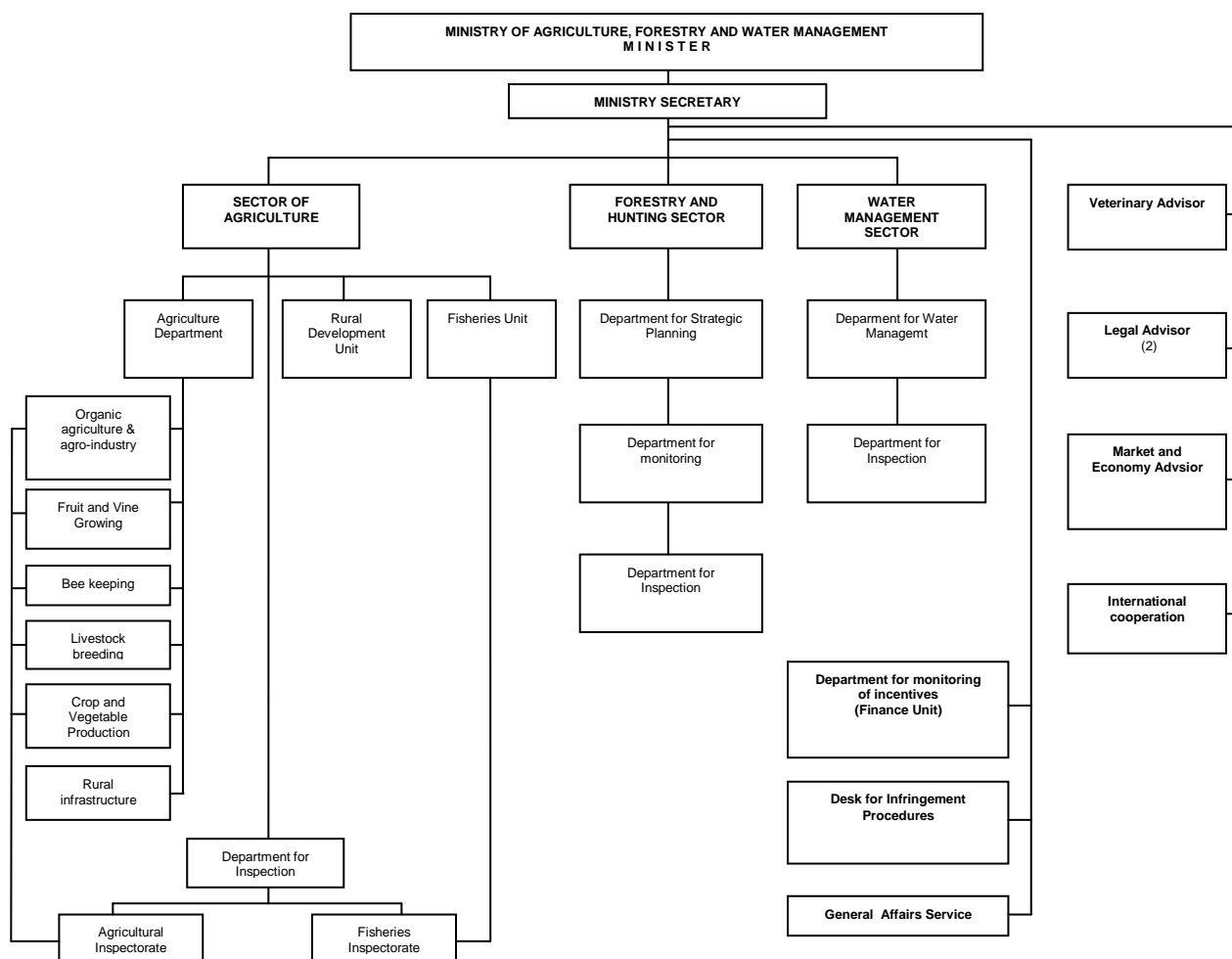
The Ministry supervises the work of the Veterinary Administration, the Diagnostic Veterinary Laboratory, the Phytosanitary Administration and the Agency for Tobacco, which are independent budgetary organizations, and reports to the Government of Montenegro on their work (Activity Report and the Work Program).

The Sector of Forestry and Hunting has 19 employees developing regulations in the forestry field and supervising their implementation, as well as adequate implementation of concessions on forests. The Sector of Forestry is in the process of development of a national strategy that would point to the ways for sustainable use of forest resources in the future. Elements of crucial importance are suppression of illegal logging, including the development of the system of concessions enabling the local population a controlled use of forest resources; development of wood-processing industry; reforestation (particularly in the central part of Montenegro); development of forest areas for the needs of national parks; tourism (particularly in the north). The Sector of Forestry supervises the activities of the Forest Administration (which has about 400 employees in 15 regional offices), which is an independent budgetary organization. It is in charge of forest maintenance and supervision over logging done by enterprises engaged in forest exploitation. Eighty per cent of the sector has been privatised.

The Sector of Water Management is in charge of water management policies and regulations. Every year, it finances the investments into rural water supply systems and protection of water resources, as laid down by the Law on Waters and the Law on Water Financing. The current level of capital investments into rural water supply systems is insufficient and additional investments are necessary in order to make the standard of living in rural areas better. This sector supervises the work of the Water Administration, which is an independent budgetary organisation.

In addition to the sectors, the MAFWM also includes the Department for Monitoring of Incentives, Market and Prices (6 employees), the General Affairs Service (10 employees) and four advisers to the Minister (for economy, two for law, and for veterinary issues). Currently, there are 72 employees in the Ministry.

Organigramme of the Ministry of Agriculture, Forestry and Water Management.

Veterinary Administration

The Veterinary Administration operates as a separate body under the authority of the Ministry and the supervision of the Government, in charge of administrative affairs concerning: monitoring and prevention of occurrence, detection, control and eradication of certain infectious animal diseases; carrying out preventive veterinary measures as regards animals, food of animal origin, composite food and feed, semen for artificial insemination of ova and fertilized ova and waste of animal origin – by-products, in national trade and trade across Montenegro's border; carrying out the mandatory scope of animal health protection and monitoring of implementation of the program of preventive measures; ensuring the performance of activities of public interest; animal welfare protection; establishing the compliance with the conditions prescribed for veterinary work; production and trade in food of animal origin, composite food, feed after primary production and waste of animal origin; register keeping; preparation of technical basis for the annual program of residue monitoring and prevention of certain animal diseases and zoonoses, the annual plan of controls, the monitoring plan and the crisis management plan in the field of safety of food of animal origin, composite food and feed, and adoption of regulations; development of analyses of programs and briefing notes that serve as a technical basis for setting forth and implementation of the policy in veterinary field, food safety and animal welfare protection; cooperation and coordination with international organizations (OIE and alike), institutions, business establishments and other institutions engaged in the veterinary field; inspectorial supervision in accordance with the law and powers, as well as other activities conferred thereon.

The Diagnostic Veterinary Laboratory was established as a state owned public institution, under the authority of the Veterinary Inspectorate. The Laboratory's scope of work includes veterinary specialist-diagnostic and research activities on the territory of Montenegro, with the objective of: protecting and improving the animal health, detection and diagnostic of animal diseases, control of

health safety of raw materials, foodstuffs and products of animal origin, feed and water for watering, research works, education in various veterinary aspects.

The Veterinary Administration, in close cooperation with the field veterinary service and the newly established Diagnostic Veterinary Laboratory, implements the program of health protection of domestic animals and safe production and trade in food of animal origin. In the reports of the EC missions, the importance of the veterinary sector in the future phases of EU accession has been emphasized. Furthermore, the need for further building of this service through modernization of inspection supervision, for enhancing the technical capacity and knowledge of all employees in the veterinary sector and further modernization and development of the Laboratory has been emphasized. (for more detail see: Chapter 12)

Phytosanitary Administration

The Phytosanitary Administration is a single and central body under the supervision of the Ministry and the Government and carries out the administrative and related technical affairs concerning the following: plant health protection; plant nutrition products; plant health protection products; seed and planting material; plant varieties protection; food safety and GMOs; prepares technical basis for the annual program of residue monitoring; the annual control plan, monitoring plan and crisis management plan for the field of safety of food of plant origin at the primary production level and for adoption of regulations; control and inspectorial supervision in the fields within its scope of authority; keeping registers and records; implementation of international conventions, treaties and exchange of information; participation in international bodies and organizations; establishing of an information system; data collecting, processing and keeping; preparing reports, analyses, briefing notes and other materials in accordance with the regulations and international treaties and agreements and other affairs conferred thereon.

Scientific and educational institutions and technical services

Biotechnical Faculty

The Biotechnical Faculty is a member of the University of Montenegro and performs educational, scientific-research and technical-advisory activities in the field of agriculture and forestry.

Educational (teaching) activity has been performed since the middle of 2005, by organization of the high education academic studies of agriculture in two fields: plant production and livestock breeding. Currently, there are 375 students at the Faculty.

The scientific-research work of the Biotechnical Faculty consists of fundamental and applied research in the fields of fruit growing, viticulture, crop growing, plant protection, livestock breeding, agro-economy, veterinary, forestry, freshwater fishery and environmental protection.

Organizationally, the Biotechnical Faculty consists of ten scientific-research centres: Centre for Agro-economics, Centre for Land and Melioration, Centre for Forestry, Centre for Plant Protection, Centre for Crop and Vegetable Production, Centre for Livestock Breeding, Centre for Veterinary, Centre for Viticulture and Fruit Growing, Centre for Sub-tropical Cultures and Centre for Continental Fruit Growing, accompanying laboratories and two trial fields.

Under the Biotechnical Faculty there are also three services financed by the Ministry of Agriculture: Livestock Selection Service, Dairy Laboratory, Extension Service in Plant Production and partly co-financed Wine Laboratory and other laboratories.

Technical-advisory activity of the Biotechnical Faculty is implemented based on a contract with the Ministry of Agriculture, Forestry and Water Management through provision of advisory services and a wide range of laboratory services to third persons, as well as through organization of technical seminars, fairs, exhibitions, etc.

The Livestock Selection Service operates as a single service for the whole Montenegro. It consists of 6 regional centres covering the area of all municipalities. The Service's activities are classified into three main groups: selection and breeding of domestic animals, provision of technical advice and instructions to farmers and implementation of incentives financed from the agricultural budget.

The Extension Service in Plant Production covers the whole territory of Montenegro and is organized in 7 regional centres. The main objective of the service is to promote plant production in

terms of increase in yield and quality of products. The main method of work is provision of technical advice, recommendations and instructions to farmers in the field, as well as education through seminars and roundtables, etc. Furthermore, the Service implements measures in the field of plant production financed from the Agro-budget.

Its mission and the main task is to be the service of agricultural producers and are organized on verified principles of the extension services in developed countries. The Ministry implements most of incentives in agriculture through these services. In the past two years, they have been implementing the AMIS project – Agricultural Marketing Information System, which means collecting, publishing and distribution of market information in agriculture. Furthermore, they take part in implementation of international projects and temporary activities initiated by the Ministry. The importance of their role will be increasing in the period to come, particularly as regards implementation of the European concept of development and the training of farmers for compliance with an increasing number of eligibility requirements for appropriate incentives.

The Dairy Laboratory operates under the Biotechnical Faculty with a view to improving the quality of milk and dairy products. Its capacity is sufficient to provide services to all milk processors in Montenegro, including the consistent implementation of the Decree on Criteria and Method of Setting the Collecting Price of Raw Milk.

Secondary Vocational Schools

Secondary vocational education in the field of agriculture, processing of agricultural products and veterinary field takes place in five vocational schools. Only one is narrowly specialized as the secondary school of agriculture, located in Bar, while the rest are established as mixed vocational schools where, among others, the agriculture staff is educated. Such vocational schools are in Podgorica, Berane, Andrijevica and Savnik. Agricultural technicians of various vocations (crop producer, fruit producer, vine grower, vegetable producer, livestock technician, veterinary technician, milk producer, tobacco grower, butcher, baker, etc.) are educated in these schools.

The number of students attending vocational schools, particularly for agricultural vocations has been decreasing for years. The reform of the secondary vocational education is underway, and new curricula are developed and old ones are renewed.

Other state institutions and organizations

Activities on agriculture development are also implemented by the following institutions, though to a significantly lesser extent: the Employment Office of Montenegro, the Directorate for Development of Small and Medium Sized Enterprises, the Development Fund, etc. These support agriculture development from time to time by granting credit support to farmers, unemployed persons and/or small and medium enterprises in the agriculture and agro-industry field. Significant results were achieved by implementation of the program “Posao za vas” (“A Job for You”) in 2008 and 2009, under which 540 credits for agriculture development were granted through the bank sector.

Technical services at the local government level

Municipal budgets for agriculture development are mainly focused on development of infrastructure and to a smaller extent to other measures of support to farmers.

Within their scope of authority, the municipal governments have a desk for agriculture. The number of employees in agricultural service varies, depending on the size and importance of agriculture. Since most of municipalities do not have their own allocations for agriculture, the employees in agricultural service deal more with administrative affairs in the field of agriculture. The exceptions are larger municipalities (Podgorica, Niksic, Bijelo Polje), that earmark the funds for support to agriculture from their budgets, ranging from EUR 100 000 to the maximum of EUR 220 000 in the Municipality of Podgorica (in 2008).

a) Is there a paying agency in charge of the management of your agricultural policy? If yes, please submit information on the way it operates. If no, please provide information on the institution in charge of the management of your agricultural policy (Ministry of Agriculture, regional offices, marketing boards, etc.)? In both cases, information on the structures of the organisation(s) involved should also be provided.

There is no specialized paying agency within the Ministry – financial affairs are carried out through the Department for Monitoring of Incentives, Market and Prices (financial sector within the Ministry) as well as through the State Treasury at the Ministry of Finance. The Department for Monitoring of Incentives employs 3 graduates in economy, trained for financial management and 3 staff members with secondary education for accounting affairs. The nucleus of the future Paying Agency is being established at the moment and the process will be supported under the twinning project “Support to Establish an IPA Rural Development Programming and Implementation System” ad the World Bank Project “Montenegro Institutional Development and Agriculture Strengthening - MIDAS”. This nucleus will be the result of merging of staff from the existing Department for Monitoring of Incentives and young staff that has been, for some time now, in the process of intensive education in this field.

b) When receiving applications for aids, how are they processed, controlled, authorized and paid? Please provide flowcharts describing the main processes and procedures with regard to the management and internal control system (if existing) together with a description of any system used for the administration and control of support schemes.

The Ministry of Agriculture, Forestry and Water Management is currently implementing 36 programmes of support to agriculture and rural development. The programs are designed by MAFWM officers who are also supervising the program implementation.

All applications for support from the Agro-budget program are submitted to the Ministry of Agriculture, Forestry and Water Management, except for those for programs of direct support to livestock and plant production submitted through extension services.

The extension services register farmers for programs and record the number of farmers included by the programs as well as the number of head of livestock or hectares under a certain crop and thus provide the elementary data for monitoring and evaluation and distribute forms of applications for assistance to farmers and announce, through the media, the measure at the beginning of every year, after which farmers fill in the forms. Following the expiration of the deadline for application for the premiums, the service checks the situation in the field, make the report and lists of beneficiaries eligible for support and submit it to the Ministry, after which in the period July – December of the current year the premiums are paid in plant production for rights exercised in the current year, and at the beginning of the next year, at the expense of the Agro-budget for the next year, the payment of premiums in livestock breeding is made for those who were eligible based on the criteria set for the previous year.

The application for assistance by other programs of Agro-budget are submitted directly to the Ministry of Agriculture, Forestry and Water Management, where they are registered in the Base of Cases – Applications of MAFWM together with the number of the case, the name of the case, the name of the applicants, the address of the applicant, the name of the person in MAFWM in charge of supervision and control. After that, the application is forwarded, depending on the type of support that the application was submitted for, to the person in charge for supervision and control of the program of support (every program of the Agro-budget is assigned to a person from MAFWM in charge of supervision and control and that person is set forth by the Agro-budget at the beginning of every fiscal year) who then establishes whether the documentation is complete (invoices, business plan, certificates, etc.) In case the documentation is incomplete, the applicant is informed of that and is asked to complete the documentation. In case the applicant fails to do so,

the case will be refused and in case the document's completeness is established, the application is, together with the documentation, forwarded to the authorized service (inspectorate or extension service) who have the task to tour the holding of the applicant and establish the facts, that is, whether the criteria for support by the program he had applied for are met. Based on the situation established, the commission that toured the holding in the field submits the report to the person in charge for supervision and implementation. In case it is established that the application meets the requirements for support, the person in charge for supervision and control calculates the support and provides a brief report and submits it to the Paying Service together with the whole documentation. The Paying Service prepares a decision on allocation of support for a certain entity which is signed by the person responsible for that program and by the Minister. After that, the Paying Service issues a payment order forwarded to the Ministry of Finance (the State Treasury of Montenegro), based on which the State Treasury makes payments to the giro account of the beneficiary of the support, which is opened at a commercial bank at the beneficiary's request.

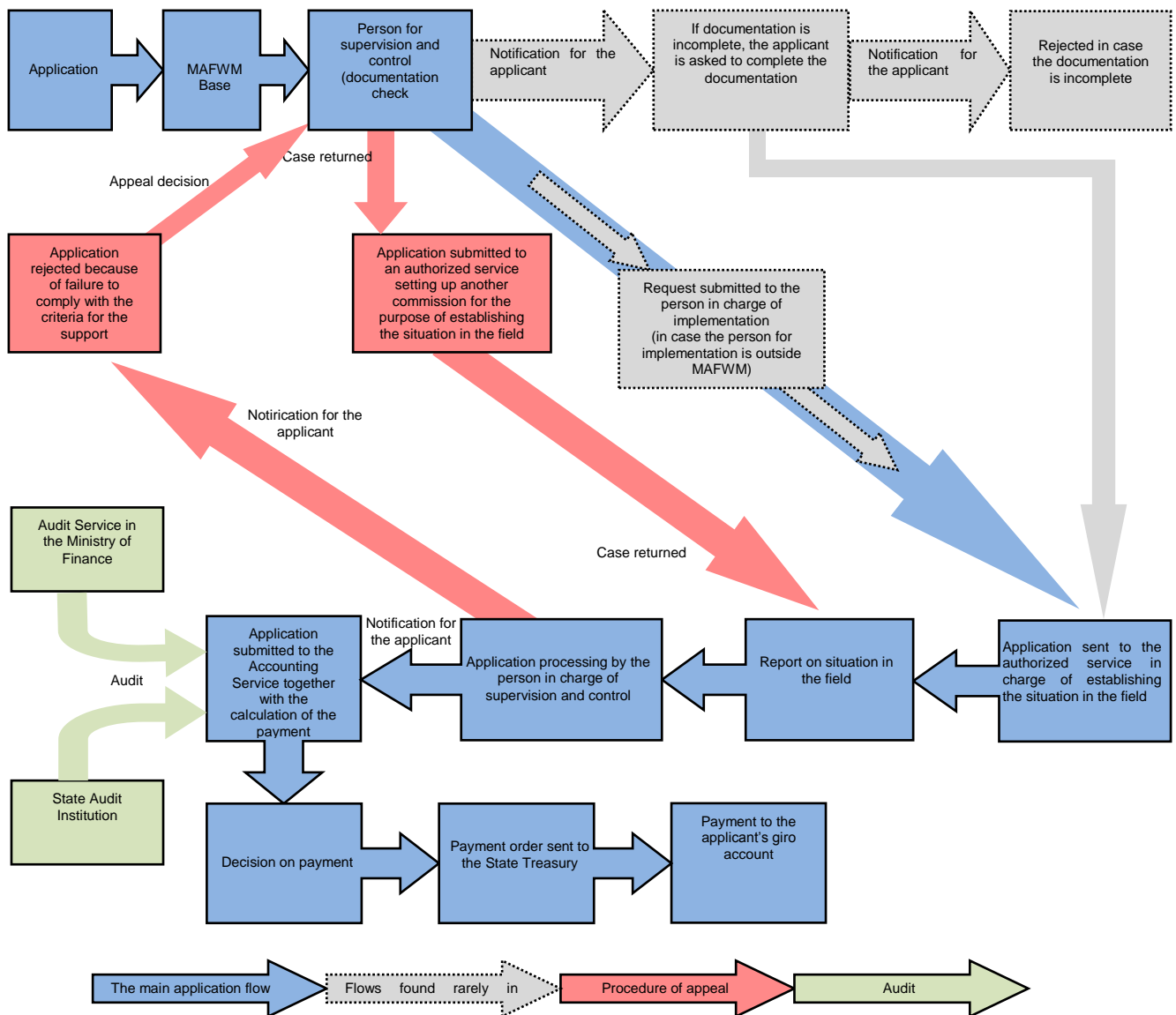
Throughout the year, all payments are controlled also by the Internal Audit within the Ministry of Finance, which establishes whether the payments were harmonized with the Agro-budget programs and the budget in general.

Moreover, the State Audit Institution makes audits of financial transactions recorded through the General Ledger of the Treasury in the Ministry of Finance and it also includes the operations and activities of spending units and, among others, the MAFWM.

In accordance with the requirements for establishing of the Decentralized Implementation System (DIS) a new Law on the Internal Financial Control System in the Public Sector was adopted, (Official Gazette of Montenegro 73/08) defining the new system of financial and other controls, including the organizational structure, methods and procedures of work and internal audit, which is set forth and implemented by the head of the Ministry, with the objective of successful management and fulfilment of tasks in a transparent, regular, cost effective, efficient and effective way.

The law defines the establishing of an internal audit unit in the Ministry, which will perform the internal audit in units that are beneficiaries of the budgetary funds and it will have 2-3 employees. After establishing of the internal audit unit, the unit will take over, among others, the function of budgetary revision from the Ministry of Finance's scope of authority.

Flow chart describing the main processes and procedures in the management system.



- farmers' organisations and their role in the agricultural and rural development policy formulation, implementation and monitoring as well as regarding their advisory role for farmers.

Farmers' organizations and co-operative movement

Co-operative movement, associations and other non-governmental organizations

The cooperative system is undergoing an institutional and financial crisis, since it is still burdened with the historical weight from the previous (socialist) system. The Law on Co-operatives in force (Official Gazette of the Federal Republic of Yugoslavia 41/99) defines a co-operative as an organization only of natural persons, without a mechanism in place for attracting capital into co-operatives and/or the possibility to acquire a share in it)

Within the co-operative entrepreneurship there are 67 agricultural co-operatives with 1220 co-operative members, agricultural holdings. All co-operatives are members of the Federation of Co-operatives of Montenegro, which operates as an independent interest group and technical business organization. Its activities relate to provision of technical assistance to co-operatives as regards the legal status of co-operatives and their property, establishing of co-operatives, overview

of market functioning, organization of competitions (farmer record holders gathering), co-operation with other similar associations, public bodies and developmental institutions.

Activities on development of a new Law on Co-operatives are underway and its adoption is expected at the end of 2009. Approval of the project "Support to Overall Rural Development in Montenegro through Rehabilitation of the Co-operative System" is in the final phase, which is planned to be implemented under the IPA support and which will support the transformation of this sector.

Association of Agricultural, Food and Tobacco Industry of the Chamber of Commerce of Montenegro

The objectives of the Association are: to follow and analyse the trends in these branches, to propose measures for the purpose of improving the working and business conditions for its members; to take part in preparation of measures of economic policy and developmental strategies, to implement the activities aimed at connecting the business entities and development of co-operative relations; to take part in development and definition of mechanisms for protection of domestic production; present initiatives and propose measures in order to eliminate monopolies at the domestic market and taking part in development and implementation of branch collective agreements.

Farmers' associations

Farmers in Montenegro are organized into a national Association which includes about 40 local associations including, more or less, producers from the same branch of agriculture. Some associations cease to exist, new ones are formed, and most of them are registered as non-governmental organizations.

There is a number of trade associations, such as: the Federation of Bee-keeping Organizations including 25 municipal beekeeper associations, Association of Tobacco Producers, the Association of Producers of Vegetables in Greenhouses, the Association of Poultry Keepers, the Association of Veterinarians of Montenegro, the Association of Vine Growers, as well as many other associations working on affirmation of various segments of agriculture (organic farming, development of agriculture, environmental protection, etc.) as well as on promotional activities in agriculture, by organizing farmer events at national or local level ('Oliviada', the Days of the Skadar Lake, the First Scythe of Montenegro, the Blueberry Days, the agriculture fairs, the Beekeeper Days). The Ministry signed a Memorandum of Understanding with 40 associations (non-governmental organizations), enabling mutual understanding and support in this sector.

It should be noted that, as a result of that support, a number of seminars and thematic lectures were organized within the associations, on which occasion extension service and foreign experts enabled transfer of knowledge, technologies, agro-technique to farmers (livestock exhibitions, lectures on olive pruning and regeneration, improvement of beekeeping technologies, improving the collecting and packaging of vegetables, etc.)

- farm advisory services and farmer's register

Advisory services in agriculture

The Biotechnical Faculty plays the main role in institutional support to the sector of agriculture, since the Faculty performs three types of activities: a) research, b) education and c) services (technical and laboratory ones).

The Faculty provides advisory services through functioning of two technical services: the Livestock Selection Service and the Extension Service in Plant Production. Both are financed in entirety from the agro-budget of the Ministry of Agriculture, Forestry and Water Management. The financing is based on annual activity plans of the services and regular reports approved by the Ministry.

These two services cover the whole of Montenegro with their activities through functioning of regional centres. There are 44 employees in total in the services and the number has been gradually increasing in accordance with the needs and the developmental activities planned.

The Livestock Selection Service was established in 2000. It is organized into 6 regional centres covering all the municipalities in Montenegro, as follows:

1. Regional centre Bar (Bar, Ulcinj, Budva, Tivat, Kotor and Herceg Novi);
2. Regional centre Podgorica (Podgorica, Danilovgrad and Cetinje);
3. Regional centre Nikšić (Nikšić, Plužine and Šavnik);
4. Regional centre Berane (Berane, Andrijevica, Plav and Rožaje);
5. Regional centre Bijelo Polje (Bijelo Polje, Mojkovac and Kolašin) and
6. Regional centre Pljevlja (Pljevlja and Žabljak).

The field centres are integrated and their activities are co-ordinated from the Main Centre situated at the Biotechnical Faculty in Podgorica.

The Service performs the 4 main groups of activities:

- activities concerning the breeding-selection work in livestock breeding (control of milk production in cows, selection of the breeding progeny, implementation of the artificial insemination plan and natural mating in cattle farming, breeding animals exhibitions, etc.);
- advisory activities (livestock feeding, keeping, breeding and reproduction, milk production and hygiene, progeny rearing, etc.);
- implementation of measures of support to livestock breeding from the agricultural budget: payment per head (of breeding cattle, sheep and goats and beef steers) under the first pillar of the agricultural policy (market-price policy), implementation of support to the program of sustainable use of mountain pastures (the second axis of measures of the Rural Development Policy);
- Agricultural Marketing Information System (regular weekly collecting and dissemination of data on prices of breeding livestock and livestock for slaughter).

The Extension Service in Plant Production was established in 2003 and it operates according to the following organizational structure:

1. Regional centre Bar (Bar, Ulcinj, Budva);
2. Regional centre Podgorica (Podgorica, Danilovgrad);
3. Regional centre Nikšić (Nikšić, Plužine, Žabljak, Šavnik),
4. Regional centre Berane (Berane, Andrijevica, Plav, Rožaja),
5. Regional centre Herceg Novi (Herceg Novi, Kotor, Tivat),
6. Regional centre Cetinje (Cetinje);
7. Regional centre Bijelo Polje (Bijelo Polje, Pljevlja, Kolašin, Mojkovac)

It performs three main groups of activities:

- Advisory activities for different producer groups (fruit and vegetable producers, grape and wine producers, olive producers, cereal and feed producers, horticulturalists, etc.);
- Implementation of measures of support to producers in plant production from the agricultural budget: direct payments per hectare of crops grown for commercial and seed production (the first pillar of agricultural policy – market-price policy), participation in implementation of several Rural Development Policy measures (support to setting up of perennial plantations and support to construction and equipping of greenhouses, support to investments for land policy);
- Agricultural Marketing Information System (regular weekly collecting and dissemination of data on prices of plant products presented at green markets in Montenegro as well as on prices of inputs for agricultural production and during the high season also daily following of fruit and vegetable prices).

In addition to what has been stated above, both services take part in commissions established by the Ministry in implementation of other measures. Rural development measures (support to investments in agricultural equipment and mechanization, support to investments in livestock farms, support to investments for keeping, packaging and processing of plant products).

The Livestock Selection Service and the Extension Service in Plant Production are involved in a World Bank project: Montenegro Institutional Development and Agriculture Strengthening (MIDAS), with the objective of building the services' capacity for:

- Provision of advisory services to producers, with particular emphasis on training for cross-compliance regarding the eligibility for incentives as well as for implementation of standards concerning the environmental protection of humans, for the purpose of full implementation of agricultural policy which is being harmonized with the EU Common Agricultural Policy,
- implementation of rural development policy under the IPARD support during the status of a candidate for EU membership,
- further development of the existing market information system (AMIS) and the program of economic analyses and farm management.

Farmers' Register

A single farmers register has not yet been established in Montenegro.

The Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09), in the chapter **XII - Registers and Records**, Articles 61 to 66, defines the issue of registers in agriculture. Thus, the Article 63 of this Law states that the following must be entered in the Register of Agricultural Holdings:

- agricultural holding applying for the incentive or support;
- olive producer with at least 0.1 ha under olive trees or growing more than 50 olive trees;
- fruit producers in intensive orchards, with at least 0.2 ha under intensive orchards, or 0.1 ha for berries or stone fruit;
- producers of agricultural products intended for the market.

Furthermore, Article 64 defines the register content, while Article 65 defines the method of collecting the data necessary for the Register keeping and updating.

The basis for establishing of a Farmers Register is the census of agricultural resources, which is to be implemented by the end of 2009.

With a view to establishing the Integrated Administration and Control System (**IACS**), the Law on Animal Identification and Registration was adopted in mid 2007 (Official Gazette of Montenegro 48/07), regulating the method and procedures for identification and registration of domestic animals, as well as registration of holdings where domestic animals are bred. Under the "Animal Identification and Registration" project, (March 2006 – March 2008) cattle were identified and a register of cattle keepers/growers was established in the Veterinary Administration of Montenegro, which is also used for incentives involving cattle. In August 2009, the second phase of the project was continued, the objective of which is identification and registration of small ruminants (sheep and goats).

One of the components of the World Bank Project: Montenegro Institutional Development and Agriculture Strengthening (MIDAS) is the support to establishing and development of registers. The purpose of this component is to support the establishing of a register of holdings as a part of the Integrated Administration and Control System (IACS), which would represent a basis for all other registers with information necessary for efficient implementation of the general agricultural policy, which is being harmonized with the EU CAP. The main function of the integrated holding register would be to connect, and hence to integrate, all existing registers by defining of a single identification number of a holding.

The Ministry already has the following registers and records in agriculture:

- register of livestock keepers (with more than 26 000 owners and more than 100 000 head of cattle of all categories), kept by the Veterinary Administration of Montenegro,
- records of beneficiaries of incentives in livestock farming (about 4,500 beneficiaries),
- records of beneficiaries of direct incentives in plant production (payments per hectare), about 1500 beneficiaries,
- registers being set up in viticulture (897 producers with 2000 ha of vineyards) and olive growing (more than 460 growers with more than 64 000 trees entered in the register)
- records of social transfers to farmers (about 6,500 beneficiaries),

All the registers and records stated would be used in establishing of the Integrated Administration and Control System (IACS).

- the method and frequency of information transmission to beneficiaries/general public (on applications and other general agricultural and rural development issues).

Relations with general public/beneficiaries – information transmission

Under the regular Agro-budget, the Ministry of Agriculture, Forestry and Water Management has a program named „Technical and administrative support to program implementation“ a special budget line with the objective of improving the relations with the public in the process of implementation of agricultural policy and it represents the process of accession to the EU. Moreover, for success in reform activities, a timely and quality media presentation is very important, which is why all organizational parts and associates of the Ministry pay particular attention to this issue.

MAFWM does not have a special department/sector for public relations and similar, and a part of the communication with the media is done through the Government's PR Bureau. Almost all activities concerning the relations with beneficiaries and the media are done through the employees in the Ministry of Agriculture, Forestry and Water Management. Better transmission of information to farmers and support beneficiaries and the public in general contributes to upgrading of democratic standards, particularly in rural areas.

MAFWM staff is open for contact with clients/farmers throughout their working hours, so parties interested receive, in direct communication with MAFWM staff, the necessary information on types of support they may receive, on the status of the application for subsidies filed, as well as other information within the MAFWM authority.

At the beginning of the year MAFWM adopts and presents Agro-budget to the public and potential beneficiaries (immediately after its adoption by the Government of Montenegro). At press conferences following the adoption, the Plan for Use of Funds for Support to Agriculture and Fisheries Development (Agro-budget) is clarified in more detailed, while printed versions are distributed through advisory services, associations etc. and thus the potential beneficiaries of support from Agro-budget are informed of the possible forms of support from the Agro-budget. For example, the Agro-budget for years 2008 and 2009 was printed in 1000 copies and distributed to end users of Agro-budget. It is also published on the web site of the Ministry, as well as in the Official Gazette of Montenegro.

Also, in case a certain budgetary line sets tender procedures for granting support to investments or special purpose loans through commercial banks, with MAFWM subsidizing a part of interest or providing support, MAFWM, in co-operation with commercial banks, publishes through press advertisements and through promotional videos, billboards, presenting to the general public that particular form of support. Almost all measures of support to rural development are done through a public invitation to potential beneficiaries through the media.

MAFWM representatives are always present at events of the local, national and international level (fairs, exhibitions) related to agriculture, agro-tourism and rural development, presenting the elements of support from the Agro-budget, of relevance for that particular event.

In the course of a year, direct communication with farmers in the field is made (touring municipalities, villages, mountain pastures, households) and on that occasion, all the explanations concerning possible forms of support and answers to technical issues in the field of agriculture are given.

MAFWM presents to the general public and beneficiaries all important information within the scope of authorities of its sectors through associations, technical services, municipalities, etc. At the end of every year, MAFWM has the practice of holding an annual press conference, attended by representatives of the media, farmers, associations, donors in the field of agriculture, where activities implemented and results achieved that year are presented. The Ministry's staff regularly

communicates with the media and they are always ready to explain in more detail the activities within the MAFWM competence, at their invitation.

At the web site of the MAFWM (www.gov.me/minpolj), AMIS (www.amiscg.org) and Extension Service (www.savjetodavna.org) information in the field of agriculture and rural development are updated daily.

All major donor projects implemented through the MAFWM, such as, for example, the World Bank and GEF projects, IPA projects and projects of other donors are presented in particular through the media and to the public (EU, USAID, GTZ, FAO, Lux Development projects...) with joint participation of representatives of both the MAFWM and the donors.

Furthermore, electronic media in Montenegro broadcast specialized shows on agriculture, presenting to the public once a week all of the Ministry's activities aimed at farmers that MAFWM experts regularly cooperate with (show Agrosaznanje – Agro-knowledge on Saturdays evening and Sundays morning on Montenegro's Public Service Broadcasting, show "Za selo i poljoprivredu", "For Village and Agriculture" of the Radio Montenegro, on Sundays morning, etc.)

Also, special media plans were developed for support to programs implemented through other institutions, where MAFWM has significant activities (Animal identification and registration in co-operation with the Veterinary Directorate; program „A Job for You“ in co-operation with the Employment Office of Montenegro and the Agency for Development of Small and Medium Enterprises, the program of subsidies through the credit support to farmers „A Good Opportunity for a Good Holder“, in co-operation with commercial banks introduction of the market information system – AMIS in co-operation with the Extension Service and the USAID; Census in Agriculture 2009 in co-operation with Monstat).

2. Please provide general information on the trade policy and mechanism applied in Montenegro regarding agricultural products including bi- and multi-lateral agreements, import/export schemes, tariff quotas, systems of licenses, safeguard clauses, etc. as well as operational structure in place; please also specify whether the EU Combined Nomenclature is applied. Product specific measures should be described under section II).

The Decision on Declaration of Independence of the Republic of Montenegro, adopted in the Parliament of the Republic of Montenegro on June 3, 2006, sets forth that the Republic of Montenegro would assume and implement international treaties concluded and that the State Union of Serbia and Montenegro acceded to, which concern Montenegro and which are in accordance with its legal system. After gaining independence, the Republic of Montenegro implemented independently the free trade agreements signed with the SEE (South East European) countries.

As soon as June 2006, the negotiations on accession to the CEFTA 2006 started with Montenegro acting independently. The Agreement was signed at the end of 2006 and its full implementation in all signatories (Albania, Bosnia and Herzegovina, Montenegro, Macedonia, Moldova, Croatia, Serbia and UNMIK Kosovo) entered into force in November 2007.

Montenegro started the process of negotiations on the Stabilisation and Association Agreement with the EU as a member of the State Union Serbia and Montenegro, but as of 2005 it resumed the negotiations independently and on October 15, 2007, the Agreement was signed.

The trade-related part of the Stabilisation and Association Agreement entered into force on January 1, 2008 and since then, the following regime has been applied in trade in agricultural-food products with the EU Member States:

Full liberalisation for export of Montenegrin products to the EU territory was agreed, with the exception of wine, veal and a number of fish products for which certain customs preferences were granted, entailing tariff reduction under the quotas granted;

For imports into Montenegro from the EU Member States a gradual liberalisation was defined through drafting of three product lists, of which the list 1 includes less sensitive products and

products for which our market has been liberalised since the day of application of the Agreement, that is, as of January 2008; for products on list 2, the pace of reduction of customs tariffs by 20% per annum over the period of five years; while for the products on the list 3 (sensitive products) successive reduction of current tariff rate is provided, by 10% per annum, so in the fifth year, the customs protection would be 50% of MFN.

Under the CEFTA 2006 Montenegro has a fully liberalised trade in agricultural-food products with Serbia, Macedonia, Bosnia and Herzegovina and UNMIK Kosovo, while with Croatia, Albania and Moldova it has a high degree of trade liberalisation. In the course of 2009, in accordance with the obligations from the CEFTA, further liberalisation of trade was agreed which would, following the procedures conducted in accordance with the law (adoption in the parliaments of all member states) should be applicable as of 2010. In accordance with these negotiations, Montenegro would liberalise the trade with Albania and Moldova, and with Croatia an asymmetrical agreement was made in favour of Montenegro. Croatia has fully liberalised its market for Montenegrin products, while for the products from Croatia further trade liberalisation was agreed, except for very few sensitive products.

Montenegro started the negotiations for membership in the WTO independently (although it had at that time still been the member of the State Union Serbia and Montenegro), on February 2005, when the Memorandum on Foreign Trade Regime was submitted to the WTO General Council.

The negotiation procedure in the course of several bilateral and multilateral negotiations was closed in December 2008, when, in cooperation with the Secretariat General for accession with the WTO a consolidated offer for goods was prepared. However, on 29 December 2008, Ukraine submitted a request for bilateral negotiations that are still underway, so Montenegro has not yet become a WTO member.

In October 2008, Montenegro signed the Free Trade Agreement with Turkey, which is of a lower trade liberalisation level, and trade takes place within the customs quotas with preferential tariffs.

The Federal Republic of Yugoslavia had been the signatory to the Free Trade Agreement with the Russian Federation, and this Agreement has been implemented in Montenegro since 2001, that is, from the day of signing. In accordance with the obligations taken over after gaining independence, this Agreement is still implemented. Negotiations on further trade liberalisation with the Russian Federation are still underway.

Customs tariffs are published every year in the Decree on Harmonization of Customs Tariff Nomenclature and it is fully harmonized with the EU Combined Nomenclature.

Utilisation of customs quotas agreed is done by the system of „first come first served”, and utilisation of quotas has been followed by the Customs Administration as of 2008.

The system of issuing permits for export and import of agricultural products is not in place in Montenegro. There are no export tariffs on any agricultural products in Montenegro.

The Ministry of Agriculture, Forestry and Water Management is in charge of negotiations on free trade agreements in the field of free trade.

The proposal for change in customs tariffs for agricultural products is prepared by the Ministry of Agriculture, Forestry and Water Management, in co-operation with the Ministry of Economy and the Ministry of Finance and presented to the Government for adoption.

3. Please provide a description, including financial details, of State aid measures or any other policies specifically applied in the sector of primary agricultural production, processing and marketing of agricultural products as well as in the forestry sector (but not covered elsewhere in replying to this questionnaire). This should include direct and indirect input subsidies; social policy measures primarily directed to the agriculture sector; tax policy measures primarily directed to the agriculture sector; policies directed to privatisation of land and other factors of production (including the agro-food processing sector); measures which are aimed at developing a land market; credit subsidies; others.

Direct and indirect input subsidies

Not applied

Social policy measures primarily directed to the agriculture sector

Measure

Social transfers to rural population

Objective of the measure

Fight against poverty in rural areas; improving the quality of life in rural areas and providing more favourable living conditions.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Measure description

There are many households in rural parts of Montenegro whose members were engaged in agriculture as their main occupation, but due to specific characteristics of the social policy that had been applied in the past they were not eligible for regular state pension. Furthermore, these households are still engaged in agriculture and thus they “keep alive” many remote villages at risk of depopulation or even being deserted. The Ministry of Agriculture, Forestry and Water Management supports holders of agricultural households by a special form of social policy – old age allowances. Old age allowance is provided for one spouse in a family on a household in case that the spouse resides in the village and is engaged in agriculture and receives no other social allowances.

Eligibility criteria

Men older than 65 and women older than 60 are eligible for old age allowance. The documentation necessary for exercising the right to old age allowance includes: a filled application form, evidence on ownership over agricultural land, issued on the name of one of the spouses, the evidence on permanent residence, birth certificate, certificate of marriage, death certificate (for a deceased spouse), evidence that the applicant is single (for those who have not entered marriage), a certified statement by the applicant, stating that he/she receives no monetary income in the country or abroad. The only exception is allowance for care and assistance to a family member, which poses no obstacle to eligibility for old age allowance.

Implementation procedure and amount of payment

The documents required are presented by the applicant to the competent service for agriculture in the local government, which then checks the documents as well as the income on the basis of

retirement, combat-related disability allowance and social allowance for both spouses, makes the minutes and together with the documents, forwards to the Ministry.

The person responsible in the Ministry reviews the documents received in the period January-September of the current year and makes decisions validity of which starts as of September of the current year, and continuously controls the compliance with eligibility criteria in communication with the Pension and Disability Insurance Fund, its regional units, the Health Insurance Fund and the Welfare Centre, as well as with the competent services of the local government. In case any irregularities are established, the beneficiary would no longer be entitled to receive the allowance and the procedure for repayment of the financial means received is launched.

Incomplete documentation is returned to the competent local government officer for the purpose of completion and making of additional checks.

The amount of the payment made to the beneficiaries at the beginning of every month is EUR 40 per beneficiary per month (480 per annum), and the total funds earmarked by the Agro-budget for that purpose for 2009 amount to EUR 2,900,000 and there are 6,000 beneficiaries.

Program management

Ministry of Agriculture, Forestry and Water Management

Measure

Market Intervention Program – component Support to food aid program and Support to collecting of seasonal surplus in livestock production

Objective of the measure

Support to provision of certain agricultural products at affordable prices for certain social groups and population groups.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Measure description

A part of seasonal surplus of agricultural products may also be marketed in the form of food aid to certain socially vulnerable population groups. Market stabilization instruments (safety net measures) are used in implementation of this program, and they are implemented in co-operation with the non-governmental organizations (Red Cross, pensioners' associations, trade unions). The practice has so far shown that annual interventions are necessary for collecting 20,000 head of market surplus lamb, which is delivered through registered slaughterhouses to pensioners through the Association of Pensioners of Montenegro. Also, seasonal collecting of some fruits, as well as when it comes to food and dairy products in the form of food aid, leaves the opportunity for delivery of these products to specialized institutions, such as: hospitals, kindergartens, nursery homes and institutions for persons with special needs at the prices up to 30% lower than the market one.

This food aid follows the strategic objectives of supplying the food at affordable prices for vulnerable population and at the same time supports the development of agriculture through market stabilisation.

Eligibility criteria

Lists of producers with data indicated on quantities collected and waybills for products supplied to pensioners and specialized institutions.

Implementation procedure and amount of payment

The basis for calculating and payment by components are producers' lists with data on quantities collected. Registered enterprises, engaged in collecting fruit and vegetables, slaughterhouses for lamb collecting submit data on products collected and prices, and present contracts signed with organizations supplying the products and agreements with commercial banks, proving the amount of credit – operational capital, interest rate and the period of use. The payments for collectors represent the balance between the actual market price of a product and the costs of collection, distribution, product treatment and delivery to end users, and payments are made after processing of documentation by appropriate services.

The amount of the payments planned for this measure in the Agro-budget 2009 is EUR 280,000.

Program management

Ministry of Agriculture, Forestry and Water Management

Tax policy measures primarily directed to the agriculture sector

Measure

Value Added Tax rate reduced from 17% to 7% for: basic products for human consumption (bread, flour, milk and dairy products, infant food, grease, oil, meat and sugar); medicinal products for veterinary use; feed, fertilizers, plant protection products, seed for reproduction, planting material and live animals, all with the objective of encouraging agricultural production in Montenegro.

Legal basis

Law on Value Added Tax (Official Gazette of the Republic of Montenegro 65/01, 12/02 (corrigenda), 38/02, 72/02, 21/03, 76/05, 16/07)

Measure description

A single VAT rate of 17% is applied in Montenegro. Taking into account the significant expenditures of Montenegro's population for food, that is, for buying certain agricultural products that are the main food items in Montenegro and the relatively high price of food when compared to the income, the VAT rate for products stated above was reduced to 7% in order to improve the standard of living of the population.

Program management

Ministry of Finance – Tax Administration

Policies directed to privatisation of land and other factors of production (including the agro-food processing sector)

The Law on State Property (Official Gazette of Montenegro 21/09), Article 9, lays down that proprietary rights over state owned objects and other resources are on the market, unless otherwise provided for by the law.

The said law distinguishes the following three resource categories: natural resources, resources of general use and other resources of general interest.

Natural resources and resources in general use cannot be objects in private property.

Taking into account that agricultural land falls under the category of other resources of general interest, Article 13 of the Law, the agricultural land may be the object of private property, that is, it may be in trade.

Furthermore, in accordance with the Law, the proprietary rights over objects and other state owned resources may become private property based on a decision of the competent authority, legal matter or in some other way in accordance with the Law, Article 9 of the Law on State Property.

The Law on Property Relations (Official Gazette of Montenegro 19/09) Chapter XII, Article 145, lays down certain restrictions relating to the acquiring the right of property for foreign persons (natural or legal).

The paragraph 1, Article 415, item 3 lays down that a foreign person (natural or legal) cannot have the property right over agricultural land.

The paragraph 3 of the same Article provides for a derogation, and it makes possible for a foreign person (natural or legal) to acquire the property right over agricultural land of up to 5,000 m² in case the subject of the contract on transfer of ownership (sale, purchase, exchange) is the building situated on that land.

The process of privatisation of agricultural land started with adoption of the Law on Restoration of Agricultural Land from Social Property to Former Owners (Official Gazette of the Republic of Montenegro 14/92).

This process was accompanied by many problems because of the census and disordered cadastre, while establishing of a real cadastre is a time-consuming process, requiring significant financial means.

Fragmentation of property and inadequate use thereof posed a particular problem in use of agricultural land in state property, as well as unlawfully acquired property; that is why the Law on Restoration of Agricultural Land from Social Property to Former Owners was adopted. However, privatization of that land entailed further dissolution of integrated production-business entities, the so-called complexes of agricultural land and further fragmentation of land took place. Attempts were made to use a small number of such areas by granting concessions (Municipality of Niksic 60 ha, Grahovsko field, etc.) but that process, too, had its weaknesses and faced obstructions from a number of former owners who made difficult the access of concession beneficiaries in order to use it.

Before the adoption of the said law, 93.8% of agricultural land was in private property, and after the implementation of the law, it was 96.0%.

The total of 4326 ha of agricultural land was restored to private property, of which former owners were restored 3788ha, while for 251 applications, replacement of land of 243 ha was offered. The distribution by municipalities is given in the table below:

Data on restoration of agricultural land

Regional unit	Agricultural land restored	Ownership restored to former owners	The number of offered agreements on replacement of land	Area for replacement in ha
Danilovgrad	1,096	911	178	97
Podgorica	550	550	13	7
Nikšić	219	149	9	6
Kotor	105	105	-	-
Ulcinj	165	165	-	-
Budva	136	-	-	-
Žabljak	149	149	-	-
Pljevlja	280	280	10	70
Bijelo Polje	207	54	10	12
Plav	90	74	-	-
Bar	385	316	2	5
Berane	258	258	20	35
Andrijevica	24	24	-	-
Rožaje	318	318	2	10
Herceg Novi	158	114	7	1
Mojkovac	2	2	-	-
Kolašin	9	9	-	-
Tivat	12	12	-	-
Šavnik	163	163	-	-
Plužine	-	-	-	-
Cetinje	-	-	-	-
Total	4,326	3,788	251	243

Source: MAFWM

The Government's Agenda provides for adoption of a new law on agricultural land, which will repeal the existing Law on Agricultural Land (adopted in 1995).

In the last 15 years, all former agricultural complexes or enterprises were privatized and the procedure was implemented mainly through the Agency for Restructuring of the Economy and Foreign Investments. The state now has ownership in only four enterprises in the field of agriculture and agro-industry: „AD 13-jul Plantaže“ (Viticulural and Wine-making company)

(55.92%). AD „Zora“ Berane (Dairy “Zora”) (99.5%); AD „Duvanski kombinat Podgorica“ (Tobacco Company Podgorica) (51.11%) and AD „Plodovi Crne Gore“ (Fruit of Montenegro) (24.47%).

Measures aimed at developing land market

Not applied

Credit subsidies

The last decade of the past century was characterised by abandoning the model of providing credits to farmers by banks through current co-operatives-enterprises to agricultural holdings. The process was accompanied by poor organization of the banking system as well as by the low interest of commercial banks to grant credits to farmers under the conditions of inflation and hyperinflation. In this period, developmental programs of small family holdings were given credits to a small volume, and MAFWM provided a part of the credits to natural and legal persons directly or through banks.

This measure has not been applied as a special measure of Agro-budget as of 2000, as it was mainly implemented through encouraging faster employment, provision of deposits through the banking system and in co-operation with the Employment Office, the Directorate for Development of Small and Medium Sized Enterprises, the Development Fund, the Ministry of Agriculture, Forestry and Water Management and donor support.

As of 2000, Montenegro earmarked the support to agricultural holdings through two models:

The first model:

Provision of favourable bank credits to farmers, with longer repayment periods (5 to 19 years) and lower interest rate (1.5% p.a. to 5% p.a.), using also USAID funds (by monetization of goods), using a Polish commodity credit through the Ministry of Agriculture, Forestry and Water Management, provision of specific purpose credits for irrigation systems as well as other donor funds (EAR – modernisation of the dairy sector and EU „Renewal“.

With this first model, the agricultural holdings were included in the commission arrangement through granting of credits by banks for the following:

Program of credits for agriculture	Number of beneficiaries	Total credits granted (€)
1. EAR program of support – modernisation of the dairy sector	966	1,439,740
2. EU Program „Renewal“ – supply of 1,035 heifers	906	1,026,674
3. Monetisation of commodities donated by the USA (maize and wheat)	714	1,876,865
4. Polish commodity credit	183	6,458,000
5. Specific purpose credit for irrigation systems ³	1,058	3,899,835
Total:	3,827	14,701,114

Source: MAFWM

The second model:

The second model of investing was implemented by means of the state through the banking system, therefore, it was based on credit support to farmers and other entities and its objective was faster employment and strengthening of the competitiveness of agriculture, support to agro-industry, i.e. activation of the following sectors: meat, milk, bakery sector, drinks and non-alcoholic drinks, etc. The credits were provided and extended by the banking sector, while the Government of Montenegro, through the Directorate for Development of Small and Medium Enterprises or the Employment Office and the Development Fund provided banks with deposits that enabled subsidization of interest rates to an acceptable interest rate of 5% per annum, and repayment period of 5 years, depending on the purpose.

The credit support earmarked for the agriculture, particularly through the programs of continuous employment and the program of 14 credit lines (of which 5 were credit lines for agriculture development) which made possible employment in agriculture for 4331 persons that had been in the category of unemployed persons, in records of the Employment Office.

³ Support of 30% of credit value provided to farmers

In 2008, implementation of the project "A Job for You" began, with the objective of providing support to encourage employment in Montenegro, particularly for the northern region, and activities were implemented through the Ministry of Agriculture, Forestry and Water Management, the Employment Office of Montenegro, the Directorate for Development of Small and Medium Sized Enterprises and the Development Fund of Montenegro. The main form of support to farmers by the Ministry of Agriculture, Forestry and Water Management was support of up to 30% of funds granted to credit beneficiaries in the field of agriculture, in accordance with the criteria from the Agro-budget, and also free assistance was provided for development of business plans of farmers through extension services in agriculture. This activity has continued in 2009, and so far, 465 credits in the field of agriculture have been granted in the total amount of EUR 2,701,000.00 through the Employment Office, enabling employment of 541 new employees.

With this second model, the farmers were given support for:

Program of credits for agriculture	Number of beneficiaries	Total credits granted (EUR)
1. PROGRAM OF CONTINUOUS SELF-EMPLOYMENT IN AGRICULTURE	3,136	11,625,088.00
2. 14 credit lines (5 for agriculture)	254	3,837,650.00
3. Program "A Job for You"		
a) Employment Office (541 new jobs)	465	2,701,000.00
b) Directorate for Small and Medium Sized Enterprises		
c) Development Fund	7	672,485.00
Total:	3,862	18,836,223.00

Source: MAFWM

Concurrently with the model of credit support, the model of subsidizing short-term credits through the banking sector was developed, which entailed provision of working capital for collecting of seasonal surplus of agricultural products, earmarked to specific social groups (pensioners, vulnerable social groups). In this way, annual collection of about 20,000 lambs was subsidized over the past five years, and partly of seasonal fruits (raspberry, tropical fruit) and vegetables (tomato, paprika, watermelon) and interest rates were subsidized up to 5% p.a. of the value of funds used, payment of all subsidies was made from the Budget of Montenegro, partly from the Program of Agro-budget and partly as support to vulnerable category groups at the expense of the budget of the Ministry of Labour and Social Welfare and the Pension and Disability Insurance Fund.

Other

Measure

Risk management in agriculture

Objective

Encourage farmers to insure their crops and livestock, which would ensure stability of the income and reduction of risks in agricultural production; reduction of long-lasting negative effects of damages caused by bad weather conditions and other unexpected events.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Measure description

Damage to agricultural crops, livestock and other resources are an inevitable part of agricultural production, especially the impact of bad weather conditions on crops and damage caused by attacks of large wild animals on livestock. Although some of these risks can be insured under the regular insurance system, producers rarely take advantage of this option since insurance premium costs are high. Large damage is beyond the financial capacity of producers and can seriously

undermine the survival of farms and hence the long-term sustainable development of agriculture. Support to risk management in agriculture consists of:

- Financing of a part of costs for insurance against damage on agricultural crops and livestock;
- Compensation of a part of the damage caused by large animals;
- Financial support to farmers in case of damage from natural disasters and other disasters of larger scale.

Eligibility criteria

Support for insurance against crop and livestock damage can be up to 50% of the total insurance amount.

Reimbursement of damage caused by wild animals to livestock depends on the type and extent of the damage.

Reimbursement for damage from natural disasters that are not covered by insurance because insurance companies cannot accept such insurance is provided on the basis of regulations governing the system for damages in agriculture. The amount of reimbursement can be a maximum of 20% of the damage caused.

In exceptional situations, for individual damage of a larger extent that have long-term and severe consequences for individual holdings, damage is reimbursed according to the extent of the damage done, based on a report produced by the Agricultural Inspectorate.

In case of damage that a farmer can be insured against in the regular insurance system, but failed to do so, the farmer can be reimbursed to a maximum of 10% of the damage caused.

Implementation procedure and amount of payment

Support to insurance is provided based on the lists – records of insurance companies. The payments are made to insurance companies.

Damage caused by wild animal attacks, natural disasters and other is reimbursed on the basis of a rulebook on damages, laid down by the Ministry.

The total amount in Agro-budget 2009 earmarked for co-financing of costs of insurance against damage in agricultural crops and livestock is EUR 100,000, while EUR 180,000 is earmarked for support for the damage done.

Program management

Ministry of Agriculture, Forestry and Water Management

4. Please provide information on publicly funded services to agriculture. The description should be provided only if public resources are involved. It should indicate the amount of public contribution and financing originating from any other resources for the period starting from year 2000. Examples are research; guidance/advisory service, training; marketing support; inspection; farm land surveying; advisory service, other.

Expenditures for services in agriculture, including the professional bodies and services provided in 2001, included also the expenditures for establishing of advisory service in the amount of EUR 100,000 as well as development of co-operatives and other forms of farmers' organizations in the amount of EUR 60,000. Only EUR 260,000 was spent for these purposes that year.

As of 2002, a special program has been established in the Agro-budget "Professional services" and following the establishing of professional services in agriculture (the Livestock Selection and the Dairy Laboratory first, and immediately afterwards the Extension Service in Plant Production), attaching more importance to this field.

In the period 2002 – 2008, the expenditures for professional bodies and services have increased from EUR 2.1 million to EUR 4.6 million (in nominal amounts), or 119%. Services include general services financed from the Agro-budget, which include, among others, the expenditures for

11 Agriculture and rural development

improving the quality and safety of products; advisory services, development of analyses, other information and training of agricultural and veterinary service⁴. Although expenditures for services in agriculture were increased, its share in the MAFWM budget (plus veterinary services) fell in relative amounts from 35 to 26 percent⁵.

In accordance with an emphasis laid on raising standards in the veterinary and food safety fields, required in the process of accession to the EU, the priority has been given to veterinary services, whose share in total expenditures for services rose from 25 per cent in 2002 to 55 per cent in 2008. In 2008, the remaining 45 per cent of expenditures refers to professional services, i.e. to advisory services; plant protection; support to research; professional advice; international co-operation; other informational, advisory and other services aimed at training of farmers (including the MAFWM staff); and various other programs.

Services, 2002-2008 (€)	2002	2003	2004	2005	2006	2007	2008
MAFWM budget for services	2,116,652	1,520,797	1,325,641	2,174,225	2,729,312	3,389,007	4,563,220
Plant protection	145,719	81,647	164,867	88,822	177,544	215,500	251,000
Dairy Laboratory	92,033	150,675	48,239	48,107	51,584	49,000	63,000
Veterinary services (MAFWM/ as of 2005 Veterinary Administration)	532,157	724,319	491,182	1,372,709	1,355,961	1,822,507	2,524,350
Advisory services for plant production (Biotechnical Faculty)	102,258	68,103	119,085	156,271	175,156	205,000	256,000
Livestock breeding improvement (Livestock Selection Service)	194,291	144,178	126,106	151,429	179,737	220,000	272,000
Development of analyses, information, training, etc.	138,049	177,324	198,193	251,711	247,180	185,000	300,870
Analyses, registers, etc. of agricultural production and inputs	12,782	19,500	19,400	7,000	18,420	30,000	17,000
Education, research (MAFWM support in supply of equipment)	25,565	26,621	39,726	0	4,000	55,000	55,000
Restructuring of co-operatives and encouraging other models of producer organizations	86,920	56,696	46,073	62,731	217,387	70,000	110,000
Fisheries and research	117,085	34,718	18,945	1,000	44,380	27,000	39,000
Support to research, expert services, commissions, international co-operation, etc.	71,581	25,515	53,825	34,445	257,962	510,000	675,000
Other	598,212	11,500	0	0	0	0	0
Services financed from other sources beyond MAFWM	1,335,674	1,459,751	1,366,951	1,438,416	1,701,097	1,870,854	2,231,200
Education/research (Biotechnical Faculty)	1,061,196	1,098,332	1,012,181	991,858	1,013,546	1,005,879	1,231,200
Services financed from municipal budgets	274,478	361,419	354,770	446,558	687,551	864,976	1,000,000
TOTAL	3,452,326	2,980,548	2,692,591	3,612,641	4,430,408	5,259,861	6,794,420

Source: MAFWM

Expenditures for advisory services in agriculture are increasingly focusing on the priorities identified and on the farmers' needs. The existing system includes the Biotechnical Faculty in assessing the farmers' needs, implementation of Agro-budget's programs and provision of advisory services. There is also the need for better involvement of farmers in setting the priorities and although Montenegro is small, there is room for improvement of competitiveness and efficiency in this field through the competition of public and private service providers and better inclusion of local advisors, and in future, more effort will be given with relation to these issues. The

⁴ Independent in terms of budget as of 2005, but is included by the MAFWM budget for comparison purposes over a certain period of time.

⁵ Agro-budget 2002 amounted to EUR 6,033,244.00, veterinary services included, and in 2008 it was 17,550,000 (Veterinary Administration included)

expenditures for advisory services, when compared to the general MAFWM expenditures has fallen slightly from 4 per cent in 2002 to 3.5 per cent in 2008, which is a relatively low level. Taking into account the importance of advisory services in adjustment of farmers to stronger competition and provision of professional assistance to farmers in order to be able to access the IPARD funds, more attention should be paid to these activities in the near future. A project for strengthening of these services has been prepared (MIDAS Project in co-operation with the World Bank), implementation of which will start in 2010. It will pay more attention to this issue and, among other things, a strategy for development of advisory services, which will take into consideration the experiences of Europe as well as special restrictions that a small country faces, will be made. The Strategy of Agriculture and Rural Development also emphasises the need to modernize advisory services in Montenegro, and the activities it provides for are improvement of advisory capacities, development of co-operation with farmers and systematic assessment of agriculture's needs for services.

Furthermore, co-operation with municipalities will be intensified in terms of better integration of advisory services and data collecting. According to estimates, municipalities spend about EUR 1,000,000 for services in agriculture, which is about 20 per cent of MAFWM expenditures for services in the whole 2008. Efficiency of municipal advisors in agriculture is currently limited due to lack of training and equipment, and also because they are not properly integrated into the system of advisory services most of which are rendered by the Biotechnical Faculty. The training of municipal advisors, in terms of higher capacity for offering services to farmers for general problems and reference to professional assistance where necessary, would increase the efficiency of advisory services in Montenegro in this field.

Allocation of funds from the budget through the Ministry of Education and Science towards the Biotechnical Faculty have been constant in nominal amounts as of 2002 (approximately EUR 1 million) with their share in total expenditures in agriculture decreasing. Taking into account the small size of Montenegro and limited state resources, the basic researches are kept at the lower level, while research activities are focusing on applied research with relation to priorities identified by farmers and experts in agriculture.

Measures of support through Agro-budget for 2009

In the field of services in agriculture, 9 measures are financed through the Agro-budget

Measure

Support to producer organizations

Objectives

Support to farmers' initiative for association and co-operation in production and market activities; strengthening of market infrastructure for agriculture; reduction of production costs and increase in added value for agricultural products. Jointly organized sale and/or processing can result in better utilization of the production potential and strengthening of the market structure. All that results in increased competitiveness of agriculture. Producer organizations may also further encourage their members for market production.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Measure description and eligibility criteria

Support is given for establishing and operations of producers' organizations. Organized producers groups fulfilling legal requirements are eligible for support. The support is given for the first 5 years from the day of establishing in the form of annual grants for covering costs of founding and

administrative expenses of a producers' organization operation. The fixed expenses include the adaptation of its members' production to market conditions, costs of marketing of products, which involves preparation and organization of sale, as well as the provision of common rules and information about production, quality and demand.

Beneficiaries

Producer organisations

Method of payment

Upon receipt of invoice accompanied by a report

Implementation

Ministry in co-operation with associations and the Federation of Co-operatives of Montenegro

Implementation procedure

The measure is implemented on the basis of applications submitted by potential beneficiaries. Support is calculated and paid on the basis of records on turnover of products and services, submitted by the registered producer organizations. The rights exercised based on turnover in 2009 will be paid in the first half of 2010.

Note: Payments in the financial plan further below refer to support to activities of national associations, local associations and activities of the Federation of Co-operatives of Montenegro.

Supervision and control

Ministry of Agriculture, Forestry and Water Management, Agricultural Inspectorate

Financial plan

Components:

- Support to associations EUR 45,000
- Support to activities of the Federation of Co-operatives of Montenegro EUR 100,000

Measure

Promotion of agricultural products

Reasons for implementation

One of the characteristics of Montenegrin agriculture is its offer of a quite diversified product range to the market, but in small series. Consumers often do not have enough information about the products, especially tourists who visit Montenegro and consumers abroad. On the other hand, small producers and the processing industry are not able to promote their products on their own.

The lack of economy of scale can be overcome through supported generic promotion, as well as by promoting certain market niches for specific products. Thus, it is necessary to continue providing targeted support and to intensify the work in promoting and advertising of Montenegrin products.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

Strengthening competitiveness through promotion of Montenegrin agricultural products, in the country and abroad; establishing and strengthening links between tourism and agriculture; increasing consumer awareness of product quality.

Measure description and eligibility criteria

The measure is implemented by subsidizing different kinds of promotional campaigns: organization of and participation in local and international fairs, exhibitions and other events; advertising through different communication channels; informative and educational activities aimed at consumers.

The advantage is given to promotional and informative activities under the registered quality schemes that highlight products' specific features with respect to their quality, production method or their contribution to the reduction in harmful effects on the environment.

The support is given in the form of co-financing on the basis of the proposed activity program.

Beneficiaries

Operators engaged in production and processing of agricultural products, local communities, non-governmental organizations.

Method of payment

Upon receipt of invoice, request, report

Implementation

Ministry in co-operation with producers, local communities and NGOs

Implementation procedure

The measure is implemented based on annual applications of potential beneficiaries and programs submitted.

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components

- Participation in international fairs EUR 20,000
- National fairs EUR 15,000
- Regional livestock exhibitions EUR 28,000
- Local exhibitions and other events EUR 20,000
- Educational, informative and advertising activities EUR 12,000

Measure

Education, research, development and analyses

Reasons for implementation

There is an increasing need for having a modern concept of sustainable development of agriculture and rural areas based on knowledge. It implies strengthening of education components, research focused on solving developmental challenges and issues, as well as development of numerous analyses that serve as a basis for defining and implementing agricultural policy and evaluating its effects. Reforms and harmonization with the EU Common Agricultural Policy imposes even more the need to develop a strong institutional support that cannot be provided without strengthening both the human resources and research-developmental function.

The situation in Montenegro shows deficits in the scientific-development sector that should support, to a far larger extent, the development of agriculture and implementation of a CAP-compatible policy, particularly as regards rural development. Deficit in economic analyses and the establishing of efficient monitoring for implementation of agricultural policy is evident. For that reason, support to education for occupations in great demand in agriculture as well as support to targeted research and development projects should be continued. Particular attention will be paid to development of economic analyses in agriculture as well as scientific-developmental support to the Strategy implementation.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

Development of agriculture, based on knowledge; strengthening institutional support for development of sustainable agriculture; faster implementation of reforms and accession to the EU; strengthening of human resources for faster implementation of new technologies and innovation in agriculture.

Measure description and eligibility criteria

The support is directed to:

- improving the schooling conditions in existing secondary schools of agriculture and the Faculty of Agriculture, and provision of scholarships for education in the country and abroad for occupations in demand based on priorities that the Ministry of Agriculture sets in co-operation with the Ministry of Education,
- supporting scientific-research and development activities that could be directly applied in agriculture, for the purpose of Strategy implementation,
- preparing economic analyses for the needs of agricultural policy-making (planning measures and evaluating the effects of their implementation)

For improving the schooling conditions, the support is given on the basis applications made by the schools, which have to include the project description and justification. Support is provided to investment into buildings, equipment and mechanisation needed for practical education related to agriculture and rural development.

Support to scientific and research work is given to projects within the framework of the topics required by the Ministry of Agriculture, which support the Strategy implementation. The applications for research projects have to include a program proving that the research proposed would have effects on development or on acceleration of the EU integration process. Applications for the projects may be submitted by teams of local and/or foreign experts. The Ministry can participate in co-financing of projects together with other governmental institutions.

Making economic analyses in agriculture, evaluation of projects and agricultural policy measures, development of annual reports are all done at the request of the Ministry of Agriculture. Under this measure, all other *ad hoc* measures and activities (interim committees, expertise, etc.) of the Ministry can be financed or co-financed.

Beneficiaries

Educational and scientific-research institutions and organisations, expert teams or individuals, students receiving education for occupations in great demand,

Method of payment

Based on applications, upon receipt of an invoice for the work contracted and done, and report.

Implementation

Ministry, in co-operation with the University of Montenegro, other institutions and experts hired.

Implementation procedure

The measure is implemented on the basis of annual applications from potential beneficiaries and on the basis of decisions of the Ministry. Selection of the projects is done on the basis of objective criteria.

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components:

- improving the conditions for secondary and high education, providing scholarships for education, in the country and abroad, of occupations in great demand EUR 40,000
- supporting scientific-research and development activities directly applicable in agriculture, for the purpose of Strategy implementation EUR 35,000
- Economic analyses for the needs of agricultural policy EUR 30,000
- Drafting of laws and secondary legislation EUR 40,000
- Agricultural-marketing information system EUR 20,000
- Expert hiring EUR 30,000

Measure

Program of professional and extension services in livestock production

Reasons for implementation

In 2000, Montenegro launched the cattle breeding improvement program on a new platform and for that purpose, the Livestock Selection Service was established as a part of the Biotechnical Faculty. Despite the obvious results achieved in improving the quality of breeding animals in cattle farming in recent years, the average production of milk and meat is still very low. However, in terms of per-cow milk production on the best farms that are included in regular milk recording, these farms do not lag behind farms from countries with developed cattle breeding; however, these farms constitute a very small part of the total population.

For that reason, the work on improving the cattle population through inclusion of more animals into official control, intensification of activities in upgrading the genetic potential of sheep and goats and other livestock species should be continued.

At the same time, the Service is providing an increasing number of extension services in livestock production. Modern development concept places before the Service an increasing number of requirements in terms of provision of various services to farmers. One of serious challenges for the Service in future will be to increase the capacity and train the farmers to file applications for direct support and for complying with numerous EU standards related to environmental protection and food safety, animal health protection and welfare (cross-compliance). Moreover, assistance and support to agricultural producers and producers' organisations in preparation and applying the projects for IPARD support would be an important part of the Service's work.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

- improvement of competitiveness in livestock production by improving the genetic potential of breeding animals,
- strengthening of institutional support for sustainable agriculture development,
- introduction and implementation of international standards in livestock improving programs,
- strengthening of human resources for faster implementation of new technologies and innovation in agriculture.

Measure description and eligibility criteria

Within the Biotechnical Faculty, support is provided to the activities of the Livestock Selection Service related to implementation of breeding-selection programs in livestock farming and to provision of numerous services to farmers.

The condition for support is annual work program with a detailed description of scope of measures, time schedule, financial aspects and the anticipated results. The results are verified by the detailed annual report.

Beneficiaries

Biotechnical Faculty - Livestock Selection Service

Method of payment

Upon receipt of the invoice for the Service's activities, accompanied with a report.

Implementation

Biotechnical Faculty - Livestock Selection Service

Implementation procedure

The measure is implemented based on the Annual Work Program of the Livestock Selection Service

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Program for selection and extension services in livestock farming (according to the Service's Work Program for 2009) EUR 314,780

Measure

Program of professional services in plant production

Reasons for implementation

Plant production in Montenegro is characterised by numerous specific features and structural deficiencies, which, with support from certain phases, could be solved and bring this form of agricultural production to a higher level of efficiency through provision of preconditions for implementation of international standards. Furthermore, implementation of the Law on Seed of Agricultural Plants and the Law on Planting Material, which have to a large extent been harmonised with EU regulations, lay down implementation of a series of measures in order to achieve higher standards of quality in nursery production as well as for modernisation of the existing variety structure.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

Strengthening of institutional support for the development of sustainable agriculture; introduction and implementation of international standards in seed and nursery production; modernisation of the variety structure.

Measure description and eligibility criteria

Support is provided to activities of authorised institutions engaged in: breeding, production of pre-basic seed and planting material, keeping specimens of seed and registered varieties, checking the genetic features and usage value of: new domestic and foreign varieties in reference collections, maintaining and researching the varieties in collections in line with the regulations.

Under the program, support can be provided to: breeding (generating) new varieties, production of pre-basic seed and planting material, setting up of a reference collection of varieties and rootstocks.

The condition for support is the annual work program with details on the scope of measures, time schedule, financial aspects and expected effects. Results are verified by a detailed annual report.

Beneficiaries

Authorised institutions for production of pre-basic seed and planting material and setting up of a reference collection of varieties and rootstocks.

Method of payment

For authorised institutions, to giro-accounts, upon receipt of the report on implementation of the work program and upon receipt of the invoice.

Implementation

Ministry in co-operation with the Biotechnical Faculty

Implementation procedure

The measure is implemented based on the work program, after submitting to the Ministry the report on the work done, together with the invoice.

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components:

- Support to production of pre-basic seed and planting material EUR 15,000
- Setting up of a reference collection of varieties and rootstocks EUR 60,000

Measure

Program of product quality control measures

Reasons for implementation

Montenegrin agriculture, although small in terms of scale, offers a very wide range of products to the market. Consumers' demands are growing, and implementation of the legislation lays down that all products marketed have to be under appropriate forms of supervision and quality control. Additional requirements are set by the process of harmonisation with the EU legislation. To date, Montenegro has been supporting building of institutions engaged in quality control, primarily by founding and equipping new and building of existing laboratories and through different kinds of training and vocational training. Since the process of harmonisation of national legislation with the EU provisions is very demanding, support to establishing and operation of laboratories for quality control, in accordance with law, needs to be continued and accelerated.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

Securing a stable supply of safe food, acceptable in terms of quality and price; strengthening institutional support for sustainable agriculture development; faster implementation of reforms and EU association; strengthening human resources for faster implementation of new technologies and innovation in agriculture; strengthening competitiveness of food producers.

Measure description and eligibility criteria

The measure applies to support to regular control and improvement of quality of agricultural products, primarily through equipping and operation of quality control laboratories:

- Dairy Laboratory, and
- Wine Laboratory.

A necessary precondition for support is the annual work program of the laboratories, with a detailed description of measures, implementation time schedule, the financial framework and anticipated effects. The results are verified on the basis of a detailed annual report.

Beneficiaries

Biotechnical Faculty: Dairy Laboratory and Wine Laboratory

Method of payment

Upon receipt of the invoice for activities of the Dairy Laboratory and the report, or of approval for providing additional equipment to the Wine Laboratory.

Implementation

Biotechnical Faculty

Implementation procedure

The measure is implemented based on the annual work program of the Dairy Laboratory approved by the Ministry, and on the request for equipping the Wine Laboratory

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components:

- Dairy Laboratory (co-financing of operational costs) EUR 75,000
- Wine Laboratory (supply of additional equipment) EUR 10,000

Measure

Program of extension services in plant production

Reasons for implementation

Montenegro has established the concept of extension services where advisory services in plant production are provided by the Extension Service that has an irreplaceable role in improving agriculture and introducing technological innovations.

The modern development concept places before the Extension Service in Plant Production an increasing number of requirements in terms of providing various services to agricultural producers. Giving production-related advice is just one of the tasks, but surely not the only one. One of serious challenges for the future is to prepare and train the farmers to file applications for direct support and for complying with many EU standards related to environmental protection and food safety, animal health protection and welfare (cross-compliance). In addition, assistance and support to agricultural producers and producers' organisations in preparation and applying the projects for IPARD support will be an important part of the Service's work.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

- increasing the competitiveness of agriculture through modernisation and introduction of technological innovations,
- strengthening institutional support to development of agriculture,
- support in implementation of reforms and EU association process,
- improving the skills of producers,
- strengthening of human resources for faster implementation of new technologies and innovations in agriculture.

Measure description and eligibility criteria

Under this measure, the financial support is provided for advisory activities of the Extension Service in Plant Production. A necessary precondition for support is the annual work program, with a detailed description of measures, implementation time schedule, the financial framework and the anticipated effects. The results are verified on the basis of a detailed annual report that is submitted to the Ministry. The Service should offer a wide range of services to agricultural producers including the training for use of support in accordance with EU regulations.

Beneficiaries

Biotechnical Faculty - Extension Service in Plant Production

Method of payment

Upon receipt of the invoice for the Service's work, accompanied with the report

Implementation

Biotechnical Faculty - Extension Service in Plant Production

Implementation procedure

The measure is implemented based on the annual work program of the Extension Service in Plant Production

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Work program for extension services in plant production (according to the Service's Work Program for 2009) EUR 305,800

Measure

Program of phytosanitary measures

Reasons for implementation

Plant health protection is an important part of overall food safety. In that field, as well as in the veterinary field, the main challenge is to harmonise legal and institutional frameworks with the EU requirements. A set of laws has been enacted in phytosanitary field: the Law on Plant Health Protection, laying down implementation of a set of measures in this field, the Law on Seeds of Agricultural Plants, the Law on Planting Material, the Law on Plant Nutrition Products, the Law on Plant Health Protection Products, the Law on Protection of Plant Varieties, the Law on Food Safety, the Law on Genetically Modified Organisms and the Law on Ratification of the International Convention on Plant Protection. For that reason, support to implementation of the program of phytosanitary measures and other activities arising from implementation of laws needs to be continued.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)

- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

- establishing and functioning of the system for safe food production, particularly the food of plant origin at the level of primary production,
- determining status of harmful organisms, prevention of introduction and spreading of harmful organisms and eradication thereof,
- production of seeds and planting material of high quality and safe in terms of health,
- monitoring of residues of plant protection products, monitoring of plant nutrition products

Measure description and eligibility criteria

Support is provided to implementation of the Program of Phytosanitary Measures, which includes a detailed overview of measures and the required amount of financial means for their implementation.

The program includes measures from following fields:

- plant health protection,
- seed and planting material,
- plant variety protection,
- plant health protection products,
- plant nutrition products,
- genetically modified organisms and food safety.

Furthermore, the Program provides for compensation to farmers for yields reduced or lost, in accordance with the legislation in force.

Beneficiaries

Services authorised for implementation of measures, laboratories, agricultural holdings.

Method of payment

Upon receipt of the invoice for the work done, with a report, partly an advanced payment;

Through banks, to producers' accounts.

Implementation

Phytosanitary Administration

Implementation procedure

The measure is implemented based on the Work Program of the Phytosanitary Administration of Montenegro. In line with the Budget for 2009 (classification item 41106 - Program 2621). Results are verified with a detailed annual report, submitted to the Ministry.

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components:

1. Plant Health Protection Program EUR 150,000:

- a) Reporting-Forecasting Program and monitoring of health of plants, plant products and objects under supervision.
- b) Operational Program of Monitoring of Quarantine Harmful Organisms,
- c) National Operational Program of Monitoring of Non-Quarantine Harmful Organisms:
 - i) Olive fly / *Bactrocera oleae* Gmel.
 - ii) Mediterranean fruit fly / *Ceratitis capitata* Wiedemann.
 - iii) Silverleaf Whitelfy / *Bemisia tabaci* Gennadius.
 - iv) Grape cicadae – phytoplasma vectors.

- v) Grape vine disease / ESKA.
- vi) Prevention of plant pest infestation.
- vii) Invasive insect species in greenhouses.
- viii) Phyto-parasitic nematodes in greenhouses.
- ix) Viruses.
- d) Emergency phytosanitary measures and compensations / Program of eradication of harmful organisms

2. Monitoring Program for plant health protection products, plant nutrition products and food safety
EUR 90,000:

- a) Monitoring of pesticide residues in food of plant origin at the primary production level.
- b) Post-registration monitoring of plant health protection products.
- c) Monitoring of plant nutrition products.
- d) Post-registration monitoring of plant nutrition products.
- e) Measures of monitoring of food of plant origin at the primary production level.

3. Program for seeds and planting material, plant variety protection and GMOs EUR 60,000

- a) Certification of seed material of agricultural plants
- b) GMO analyses

Measure

Operational Program for Animal Health Protection

Reasons for implementation

Montenegro invests significant financial means in food safety and in harmonisation of its legal and institutional frameworks with international standards. Taking into account the fact that livestock production is the most important branch of agriculture, the importance of the veterinary service for the efficient functioning of the animal health protection system and safe production of animal products is increasing. Thus, it is necessary to continue providing support to implementation of measures of the Operational Program of Animal Health Protection, as well as to other activities that represent implementation of legal obligations in the field of veterinary and food safety issues.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives:

- establishing and functioning of the system of safe production and trade in food of animal origin,
- securing animal health protection and monitoring of epizootiological situation,
- strengthening institutional support for faster implementation of EU standards related to animal health and production of animal products.

Measure description and eligibility criteria

Support is provided to full implementation of the Operational Program of Animal Health Protection, which includes a detailed overview of measures and the required amount of financial means for its implementation. Diagnostic testing and immunoprophylactic, zoosanitary and biosafety measures for securing animal health protection, the monitoring of epizootiological developments, residue monitoring, monitoring of zoonoses and the plan of use of means and conditions for implementation of measures laid down by the law are set by the Program. The Program also provides for compensation of the damage to agricultural producers for animals killed or slaughtered, for facilities and raw materials damaged, ruined or destroyed during implementation of the measures undertaken during control of infectious diseases, for diseases laid down by the law.

Beneficiaries

Veterinary surgeries, Diagnostic Veterinary Laboratory, agricultural households.

Method of payment

To farmers, through banks, after submitting the invoice and the report on the work done to the Veterinary Directorate, partly advance payments.

Implementation

Veterinary Administration

Implementation procedure

The measure is implemented on the basis of the Operational Program for Animal Health Protection under the Veterinary Administration of Montenegro, in line with the Budget of Montenegro (classification item 41102 – program 2011) The results are verified on the basis of an annual report that is submitted to the Ministry.

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components according to the Operational Program:

Program 1. P Monitoring of epizootiological situation and diagnostics in case infectious diseases are suspected EUR 86,325

Program 2. Ensuring animal health protection in municipalities without organized health protection services EUR 21,000

Program 3. Control and eradication of tuberculosis in cattle EUR 568,260

Program 4. Control and eradication of Enzootic Bovine Leucosis EUR 218,950

Program 5. Control and eradication of brucellosis in cattle, sheep and goats EUR 535,385

Program 6. Monitoring of bluetongue disease EUR 7,400

Program 7. Diagnostics of bee diseases EUR 29,700

Program 8. Prevention and control of Classical Swine Fever EUR 94,515

Program 9. Prevention and control of rabies in dogs and cats and depending on epizootiological situation in other domestic animals as well EUR 27,825

Program 10. Prevention and control of echinococcosis EUR 1,680

Program 11. Prevention and control of anthrax EUR 1,425

Program 12. Prevention and control of Newcastle Disease EUR 16,290

Program 13. Prevention of avian influenza EUR 14,245

Program 14. Identification and registration of cattle EUR 131,600

Program 15. Monitoring of residues EUR 60,000

Program 16. Monitoring of zoonoses – salmonellosis EUR 15,600

Program 17. Monitoring of zoonoses – listeria EUR 13,800

Program 18. Monitoring of Bovine Spongiform Encephalopathy – BSE EUR 6,000

Measure

Technical and administrative support to program implementation

Reasons for implementation

The dynamic process of reforms in Montenegro's agriculture, including the fulfilment of numerous international obligations already undertaken, the implementation of NPI, the implementation of agricultural policy in accordance with the Strategy and measures that are defined by this program, require, in addition to institutional support, also the significant financial support. Founding of institutions and introduction of novelties into everyday practice, which is a precondition for implementation of many measures of agricultural policy, impose the need for additional training of human resources, first of all through the practice and experiences of the EU Member States. There are numerous tasks in the field of harmonisation of the legislation with the EU *Acquis communautaire*, particularly as regards proper implementation of new regulations. Numerous international projects impose additional financial obligations on the Ministry. International integration processes and implementation of reforms require co-operation with the widest circle of beneficiaries: farmers' associations and other organisation forms, social partners, local action groups, and others. Moreover, timely media presentation of a good quality is very important to the success of reforms. It contributes to raising democratic standards, especially in rural areas. Thus, means for the purposes stated above need to be planned in the annual agro-budget.

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objectives

- strengthening of institutional support for sustainable agriculture development,
- faster and more efficient implementation of reforms and EU association,
- introduction and implementation of international standards, strengthening of international co-operation and affirmation of Montenegro and its potential,
- strengthening of human resources for faster implementation of new technologies and innovation in agriculture,
- raising awareness of importance of agriculture and its development in accordance with the EU model,
- regular and quality provision of public with information on agricultural policy measures and the progress achieved in the EU integration process.

Measure description and eligibility criteria

This multipurpose measure is focused on support to the following:

- implementation of obligations from the EU integration process: the Stabilisation and Association Agreement (SAA), NPI and other obligations undertaken through operations of permanent (Group for EU integration, Agriculture and Fishery) or interim working bodies and committees, as well as for additional costs of harmonising the legislation with the EU *Acquis*, etc.,
- Montenegro's membership in international organisations of relevance to agricultural development,
- Implementation of international projects implemented in the agriculture sector,
- Activities of advisory bodies provided for by new laws (Law on Agriculture, the Law on Food Safety, the Law on Genetically Modified Organisms, etc.),
- Building the administrative and institutional capacities through additional training of human resources, support to creative staff members and the modernisation of existing and supply of new equipment,
- Public relations in implementation of agricultural policy and presentation of the EU accession process.
- Beneficiaries: Professional – advisory bodies of the Ministry, *ad hoc* working groups and committees, experts and groups of experts, creative staff members, electronic and print media.

Method of payment

Based on application, invoice and report submitted.

Implementation

Ministry of Agriculture, Forestry and Water Management

Implementation procedure

The measure is implemented based on decisions of the Ministry.

Supervision and control

Ministry of Agriculture, Forestry and Water Management

Financial plan

Components:

1. EU integration: Implementation of SAA, NPI, operations of the EU Integration Groups (Agriculture and Fishery) or interim working bodies and committees, costs of harmonization of legislation with the EU Acquis EUR 100,000
2. Membership in international organizations (FAO, OIV, IOC, GFCM, SWG, etc.) EUR 70,000
3. Operations and activities of advisory bodies as provided for by the new laws (Law on Agriculture, Law on Food Safety, Law on GMOs), EUR 50,000
4. Translation services EUR 25,000
5. IT support EUR 25,000
6. Building the administrative and institutional capacity: additional training for staff, support to creative staff members, EUR 60,000
7. Public Relations: implementation of agricultural policy and presentation of the EU accession process EUR 40,000
8. Other operational costs EUR 40,000

Marketing support

Agricultural Marketing Information System (AMIS) of Montenegro

Monitoring of prices of agricultural products and inputs in plant production and livestock farming

AMIS is the Agricultural Marketing Information System providing information on prices of agricultural products and intermediate goods in Montenegro. This project of the Ministry of Agriculture, Forestry and Water Management was launched in October 2005, through the activities of the Ministry's professional services (Extension Service for Plant Production – for fruit and vegetables and of the Livestock Selection Service – for livestock). Collecting of prices and data processing is done regularly, every week. In addition to the data on prices and price trends, the reports, which are a part of the weekly bulletin, include the overview of demand and supply and quality and price trends, when compared to the previous week. The emphasis is on the data and information on prices of fruits and vegetables, livestock and agricultural inputs and provision of the notifications obtained to the operators at the market for agricultural products. It should be noted that this ensured continuous overview of the situation on the market of agricultural products.

AMIS is implemented through the work of a number of advisors from the Extension Service in Plant Production and the Livestock Selection Service. The rapporteurs of the centres of these services visit green and livestock markets once a week, enter the values into the data processing software and develop specialized reports by various entry criteria (overview of prices by types, quality, origin, product packaging). Reports from wholesale market in Podgorica, which is the only one in Montenegro, are made at the same time and in the same way.

The main tasks of AMIS are: monitoring of the market of fruit and vegetables, livestock and inputs for agricultural production at the national and the regional level, development of reports on prices, price trends and general situation at the market of agricultural products. Since the dynamics of changes in price, offer and supply of agricultural products as well as the scope of information varies depending on the product group, the project co-ordinator makes presentations and analyses of the market of agricultural products of relevance for Montenegro's production, which are continuously presented in television and radio shows of the public service broadcasting.

Data on retail prices at green markets and wholesale prices at the wholesale market are, as already described, collected by advisors – rapporteurs once a week, while retail prices of agricultural inputs (pesticides, plant nutrition products and feed) are updated monthly. At the high season in supply of fruit and vegetables, the prices of main products in these categories are monitored on daily basis.

The importance of this information system is the fact that the data on wholesale prices are used for setting the collection prices of main vegetables. The database covers about 100 products in plant production and about 30 in livestock production. Furthermore, the information collected as regards prices and situation on the market provide basis for development of reports and analyses distributed to beneficiaries through the web site (www.amiscg.org/Arhiva), then radio and television shows and they are also available in the daily newspapers.

In addition to the reports, the web site provides professional advice in the field of plant and livestock production. In addition to importance of a proper and accurate collecting and representation of data and advice, importance is also attached to modern appearance and concept, so bulletins regularly include photographs taken at the moment when prices were recorded at the market.

There is also co-operation with neighbouring countries that have developed marketing information system, so bulletins regularly include tables with prices of main fruits and vegetables from Serbia and Croatia.

The data have been collected since 2006, when implementation of the AMIS project began, so all bulletins, archived can be found on the web site by years (2006, 2007, 2008). Further activities with regard to AMIS development are planned, where prices of products of agro-industry, fisheries, agricultural inputs, etc, would be presented as well.

Inspection services in agriculture

The Department for Inspectorial Supervision in agriculture performs the activities of inspectorial supervision which relate to ensuring the implementation of laws and secondary legislation, adopts decisions in administrative procedure, submits requests for initiation of misdemeanour procedure, reports on economic offences and crime, initiates amendments to the legislation implementation of which it follows, prepares information and reports on the situation in this field, as well as other relevant affairs.

Powers of the agricultural inspectorate are based on implementation of the following:

- Law on General Administrative Procedure – Official Gazette of the Republic of Montenegro 06/03;
- Law on Inspection Supervision – Official Gazette of the Republic of Montenegro 39/03;
- And implementation of laws, rulebooks, orders, programs, instructions, etc in the field of agriculture.

The Department of Agricultural Inspection employs 7 agricultural inspectors based in Podgorica 1, Nikšić 2, Bar 1, Pljevlja 2 and Plav 1.

This Inspectorate performs the inspection supervision over the implementation of the following laws and regulations:

- LAW ON TOBACCO (Official Gazette of Montenegro 48/08 and 76/08) dated 11.08.2008 and 12.12.2008;
- LAW ON OLIVE GROWING (Official Gazette of the Republic of Montenegro 55/03) dated 01.10.2003;
- LAW ON ORGANIC AGRICULTURE (Official Gazette of the Republic of Montenegro 49/04) dated 22.07.2004;
- LAW ON AGRICULTURAL LAND (Official Gazette of the Republic of Montenegro 15/92, 59/92 and 27/94);
- LAW ON WINE (Official Gazette of the Republic of Montenegro 36/07) dated 15.06.2007;
- LAW ON WINE AND GRAPE AND WINE PRODUCTS (Official Gazette of the Socialist Republic of Montenegro 9/83, 15/83, Official Gazette of the Republic of Montenegro 27/94, 36/07); (Note: the day the Law on Wine enters into force (Official Gazette of the Republic of

Montenegro 36/07) this Law will be repealed, with the exception of Articles 29 and 30 and other provisions governing the production and marketing of strong alcoholic drinks).

- LAW ON MEASURES FOR LIVESTOCK BREEDING DEVELOPMENT (Official Gazette of the Republic of Montenegro 4/92, 59/92 and 27/94);
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

as well as regulations adopted based on the laws stated above.

In accordance with the abovementioned laws, the Agricultural Inspectorate has the powers to:

- Agricultural inspector performs supervision: in production of the type and the variety of tobacco; the use of tobacco seeds for production of tobacco seedlings; production of tobacco seedlings; production of tobacco leaves; quality and quantity of tobacco in collecting tobacco and treated tobacco; quantity of tobacco collected by types and classes by the tobacco producers; the quantity of the tobacco treated; in establishing of the conditions for tobacco treatment; conditions for production of tobacco products and supervision over the records of tobacco producers and registered tobacco processors and producers of tobacco products, as well as in keeping the records and reporting in accordance with this law.
- Examines olive groves in order to ensure implementation of measures regarding the growing and protection of olive trees and collecting of olives as laid down by this law and regulations adopted on the basis of this law; establishes compliance with the requirements for production of olive oil and for testing and establishing of its quality; controls the quality of olive oil in production and trade;
- Performs supervision in: setting up of organic agriculture; inclusion of land plots into organic agriculture; inclusion of livestock production into organic agriculture; methods for collecting forest fruits and medicinal herbs; method of implementation of organic plant production and organic livestock production; technological procedures in processing products from organic agriculture; storing, packaging and transport of products from organic agriculture; compliance with the requirements for inclusion of producers into organic agriculture; compliance with the requirements of an authorized legal person; compliance with the requirements for obtaining products by organic production methods; use of marks or trade marks.
- Establish whether users of agricultural land cultivate the agricultural land regularly or rationally; establish whether the agricultural land, after its temporary use for non-agricultural purposes, is recultivated technically, chemically and biologically in order to restore it to the original purpose within the period of time set; control whether the construction land suitable for agricultural production, pending its use for that particular purpose, is used in accordance with this law; controls measures undertaken by municipalities in order to increase the area of arable agricultural land and protect and promote agriculture; in emergencies, where damage to the general interest would be inflicted, order the measures for prevention of damage; control whether the user of socially owned agricultural land keeps the records prescribed; controls whether socially owned pastures are used in accordance with the law; stop the unlawful acts and supervise implementation of other provisions of this law. The inspector of agriculture, in co-operation with the inspector of the physical planning will prohibit use of agricultural land for other purposes in contravention of the provisions of this law.
- Prohibit production and trade in grapes intended for production of quality wine with controlled geographical origin, other than that of the *Vitis vinifera* species and other than that originating from the variety of grape vine included in the list of varieties recommended or authorized for a specific region, in accordance with the viticulture zoning; prohibit production of quality wine with controlled geographic origin if it fails to comply with the requirements laid down by this law; prohibit production of grape and wine in bulk in case producers of grapes and wines are not registered in the Register in accordance with this law; prohibit the trade in superior quality wine and predicate wines with controlled geographic origin if they have been enriched and sweetened; prohibit production of wine

with controlled geographic origin from imported grapes and table wine from grapes not originating from the vinegrowing zone C; prohibit marketing of wine that has not been evaluated and labelled in compliance with the provisions of this law; prohibit marketing of the superior quality wine and predicate wine with controlled geographic origin if not in the original packaging made of glass; prohibit the marketing of wine and other products of grapes and wine for direct human consumption if not in the original packaging; prohibit the marketing of wine in bulk in specialized liquor shops and hospitality establishments if they fail to comply with the requirements in Article 30 paragraph 3 of the Law on Wine and Processed Products of Grape and Wine (Official Gazette of the Socialist Republic of Montenegro 9/83, 15/83, Official Gazette of the Republic of Montenegro 27/94, 36/07); temporarily prohibit, until the results of the checks are received, the use and marketing of must, wine and other products of grapes and wine if suspecting their containing substances harmful for human life and health and to seal the container they are in.

- Checks establishments and rooms where wine and processed products of grape and wine are produced, processed or stored; prohibit the production of wine, must and processed products of grape and wine in case the producer does not have adequate rooms, containers, instruments and other technical devices necessary for analysis and testing of products; prohibit the use of rooms, containers, instruments and other technical devices pending the removal of deficiencies established; prohibit the placing on the market of wine and processed products of grape and wine, as well as oenological means in case it is established by analysis that they do not match the quality prescribed; in trade and at imports and exports of wine and products of grapes and wine undertakes measures and activities that the market inspector is authorized for in separate regulations. Enterprises (in tourism, trade, hospitality, etc.) individual producers and independent hospitality operators that provisions of this law apply to shall enable the agricultural inspector the insight into their business operations and provide all the information and explanations necessary as regards their business operations.
- Control of selection of breeding animals used for natural mating; control of implementation of artificial insemination and natural fertilization of livestock; control of establishments and equipment for production of breeding livestock and feed in terms of compliance with the zoo-hygiene and zoo-technical conditions; control of the quality of feed in production and in trade; control of goat keeping; control of breeding, keeping and trade in bees; control of production and trade in poultry produced in incubator as well as of the quality of laying eggs.

5. Please describe the current land cadastre system and mechanism, and if existing any system used for the identification of agricultural parcels.

Land cadastre system falls under the authority of the Ministry of Finance, that is, the Real-Estate Administration.

In the cadastre records, an agricultural parcel is a cadastral parcel representing a part of the land in a cadastral municipality, defined by boundaries and marked with a number with data on right holder or proprietor.

Identification of agricultural parcels in the cadastral database is made based on the previous cadastral classification of land, done in accordance with the natural and economic conditions, production, existing crop on the land. The land used in agriculture is classified into the following cadastral cultures: field, garden, orchard, vineyard, meadow, pasture and these are classified into eight classes in the register of the real-estate cadastre, while in the records of the census cadastre and the land cadastre, the data on the same cadastral cultures are kept, but these are not classified into classes.

11 Agriculture and rural development

Geodetic cadastral information system as the main subsystem of the information system of public bodies provides a single record of geodetic and cadastral data on real-estate and the related rights, including the data on the method of use of agricultural land.

Cadastre type	Crop – method of use	Area (m2)	Area cumulative (m2)
LC	MEADOW	548,439,566	
RC	Meadow Class 1	16,836,394	
RC	Meadow Class 2	32,995,634	
RC	Meadow Class 3	74,220,183	
RC	Meadow Class 4	89,113,739	
RC	Meadow Class 5	116,867,182	
RC	Meadow Class 6	301,375,839	
RC	Meadow Class 7	230,705,766	
RC	Meadow 8.klase	43,886,411	
			Meadows total:
			1,454,440,714
LC	FIELD	219,005,311	
RC	Field Class 1	12,127,586	
RC	Field Class 2	24,126,269	
RC	Field Class 3	30,369,237	
RC	Field Class 4	36,518,105	
RC	Field Class 5	27,426,024	
RC	Field Class 6	29,728,057	
RC	Field Class 7	17,900,377	
RC	Field Class 8	1,294,511	
			Fields total:
			398,495,477
LC	PASTURE	1,785,388,904	
RC	Pasture Class 1	5,111,714	
RC	Pasture Class 2	17,796,604	
RC	Pasture Class 3	72,884,003	
RC	Pasture Class 4	147,891,284	
RC	Pasture Class 5	266,691,909	
RC	Pasture Class 6	312,568,764	
RC	Pasture Class 7	336,207,633	
RC	Pasture Class 8	61,478,497	
			Pastures total:
			3,006,019,312
LC	VINEYARD	980,206	
RC	Vineyard Class 1	2,363,491	
RC	Vineyard Class 2	2,478,424	
RC	Vineyard Class 3	5,924,819	
RC	Vineyard Class 4	1,218,537	
RC	Vineyard Class 5	122,464	
RC	Vineyard Class 6	12,344	
RC	Vineyard Class 7	3,894	
			Vineyards total:
			13,104,179
LC	ORCHARD	21,354,543	
RC	Orchard Class 1	6,100,359	
RC	Orchard Class 2	12,871,707	
RC	Orchard Class 3	30,623,127	
RC	Orchard Class 4	22,727,592	
RC	Orchard Class 5	10,307,467	
RC	Orchard Class 6	465,029	
RC	Orchard Class 7	51,559	
RC	Orchard Class 8	10,121	
			Orchards total:
			104,511,504
LC	GARDEN	43,636	
RC	Garden Class 1	953,360	
RC	Garden Class 2	1,963,412	
RC	Garden Class 3	2,002,536	
RC	Garden Class 4	178,031	
RC	Garden Class 5	19,565	
RC	Garden Class 6	4,380	
RC	Garden Class 7	4,656	
			Gardens total:
			5,169,576
LC - data relate to records of the census cadastre and the cadastre of land			
RC – data relate to records of the real-estate cadastre			

Source: Real-Estate Administration

6. Please inform on the existence of any type of cross-compliance systems (e.g. reduction in agricultural support paid to farmers if environmental, animal welfare, public, animal or plant health standards are not complied with).

There are still no developed and adopted compliance rules in Montenegro regarding the existing forms of support under the first and the second pillar of agricultural policy with what has been regulated in the EU by the so-called cross-compliance rules.

Generally, it can be said that Montenegro's agriculture is not facing the problems of pronounced intensity of production. In fact, one of specific characteristics of Montenegro's agriculture is also the pronouncedly extensive production method, particularly where the highest amount of direct support to producers is earmarked (ruminant rearing in livestock breeding). Direct support to farmers for growing field crops is of a lesser volume, resulting from lower share of field crop growing. As in livestock breeding, extensive production of field crops prevails in terms of yield and use of fertilizers in nutrition and pesticides in protection of crops. According to some data from the 1990s, Montenegro uses about 12 times less fertilizers than the EU average at those times.

One of important principles in reforms of agricultural policy in general is the gradation principle. Thus, in implementation of support to farmers under the first pillar (direct payments based on number of hectares of area cultivated and number of head in livestock breeding), as well as for payments under the second axis of the rural development (support to breeding of autochthonous livestock breeds, support to organic farming and sustainable use of mountain pastures) introduces and increasing number of criteria for eligibility for support.

For example, crop rotation is mandatory for support per hectare for seed production of potato (one of elements of cross-compliance system under the Good Agricultural and Environmental Conditions). In support – premiums per head in cattle farming (the first pillar of support), following the completion of the program of identification of the complete population, as of 2008, the mandatory requirement for eligibility for support to premiums is identification of animals (one of elements of the cross-compliance system under the Statutory Management Requirements). This requirement is also mandatory for support to breeding of autochthonous livestock breeds and sustainable use of mountain pastures under the second axis of rural development.

The new Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09) in Article 46 lays down that agricultural holdings engaged in production of agricultural products and food have the obligation to abide by the good agricultural practice and the method of implementation of good agricultural practice is to be laid down by the Ministry, by a piece of secondary legislation.

Under the World Bank MIDAS project, implementation of which has begun in 2009, extension services will be trained for implementation of the cross-compliance rules.

The National Program of Food Production and Rural Development 2009-2013, in selection and definition of measures of support to producers, provides for introduction of the principle of mandatory compliance with certain requirements wherever possible, taking into account the fact that the cross-compliance is mandatory for EU Member States.

7. What are the preparations for pre-accession assistance under IPA Component V (IPARD), including institutional set up, rural development strategy and programme, law on agriculture and rural development? Is there any strategy and action plan? Please describe the main structures (if they already exist) as referred to in the IPA Implementation regulation.

Under the preparations for pre-accession assistance under the IPA Component V (IPARD), the Ministry of Agriculture, Forestry and Water Management has done the following:

1. adopted the **Food Production and Rural Development Strategy**, in 2006,
2. on the basis of the Strategy, **the National Program for Food Production and Rural Areas Development**, was adopted in 2008,
3. **the Law on Agriculture and Rural Development**, was passed in 2009,
4. the Credit Agreement with **the World Bank** for the project „Montenegro’s Institutional Development and Agriculture Strengthening“ was signed,
5. **the Twinning Project „Support to Establish an IPA Rural Development Programming and Implementation System“ IPA 2008** was prepared.

1. The objective of adoption of the Strategy:

The Strategy is a platform for adoption of:

- agricultural policy that will make possible accomplishment of objectives set and the European integration processes in Montenegro’s agriculture,
- a set of the ‘umbrella’ laws necessary – which shall be the basis for further harmonization of the legislation with the EU,
- institutional solutions necessary for accomplishing the objectives set, coordinated with Montenegro’s true capacity.

The Strategy pointed to the following directions of future development:

- directions of development of agriculture and processing industry in line with the orientation that sustainable economy concept should be developed in Montenegro, where environmental protection and sustainable management of natural resources is strongly affirmed and where organic (ecological or biological) agriculture takes a special place;
- development model, clearly defining the clear role of the state about whether a completely open food market should be established in Montenegro, without the regulatory role of the state, or the domestic food production should be protected so it could be developed;
- accelerated development of sectors with significant potential for increasing the production volume until reaching of the optimal level of resource utilization and long-term sustainable development of sectors that can be competitive in the wider market;

Adoption of the concept of sustainable development of agriculture imposes the need for strengthening the rural development policy. Taking into account the significant developmental demands and the need for restructuring of the main sectors, it is necessary to increase the current budgetary support to rural development at least three times. Most of that support would be directed into new investments and technological innovations in both sectors: primary production and processing industry. A significant rural development component should be the set of measures for support to less favoured areas and introduction and expansion of environmental protection measures (organic production, genetic resources, mountain pastures, agro-forestry) and rural development (infrastructure, etc.). With such position and importance of the rural development policy in the budget of agriculture, Montenegro wants to have a modern concept of agricultural policy, where market-price policy would be used just to stabilize the income and market conditions.

2. The objective of adoption of the National Program:

The National Program of Food Production and Rural Development 2009-2013 (hereinafter referred to as: the NP) is the operational program for implementation of agricultural policy, which includes the measures of market-price policy, rural development policy measures, support to general services in agriculture and social transfers to rural population and in broader sense also the technical and administrative support. The NP defines: the starting points and objectives of the agricultural policy, the developed policy types and individual measures presented, with amounts and basic implementation rules.

The NP is based on the Food Production and Rural Development Strategy (adopted in the middle of 2006) for the period 2007-2013. In fact, the NP is a follow up on the Strategy and implements it. Furthermore, it is harmonized with the National Program for Integration of Montenegro into the EU, adopted by the Government of Montenegro in June 2008. The analysis of the situation, objectives and programs from the two documents are entirely applicable for the NP.

Accomplishing of developmental objectives defined by the Strategy depends, to a large extent, on the choice of measure and the amount of budgetary support earmarked.

The objective of the NP is, above all, to support the development of agriculture and rural development and it particularly underlines the adjustment of the agricultural policy and its implementation to the requirements of the European Union. Preparations for implementation of the policy of the pre-accession IPARD support will have a special place in that regard.

The NP is a planning-technical document for implementation of agricultural policy, which will serve as a platform for development of a detailed annual budget over the period specified.

The selection of measures and budget projections for their implementation was made based on:

- The concept of agricultural policy and objectives defined by the Strategy,
- Analysis of implementation of the incentive policy from the Strategy through the measures of agro-budget that are harmonized every year in terms of type and amount,
- Evaluation of the pace of harmonization of agricultural policy measures with the principles of the Common Agricultural Policy (CAP), as well as projections of the potential pre-accession and post-accession support from the EU.

Definition and elaboration of measures, in accordance with the abovementioned starting points, is multi-annual budgetary planning, which is, for the first time, introduced into Montenegro's practice.

Although principles and rules of the World Trade Organization (WTO) and the need for harmonization with the EU model of support impose the related needs and limitations, the definition of agricultural policy and selection of individual measures is a flexible process and long-term development and competitiveness of agriculture depend on proper planning and selection of measures.

According to the budgetary projection, the main source of financing for agricultural policy is the national budget. However, in the pre-accession period, major part of the rural development policy would apply for the EU support under the IPARD, and smaller part for donor projects. Moreover, the opportunities for financing of measures from the funds of local communities should be taken. The local communities' funds may be used as an additional source of financing for all the measures as provided by the NP, except for direct payments and market stabilization measures, as that would jeopardize the principle of single internal market. Furthermore, the local communities' funds may and should be used within the limits set by the EU legislation as the upper limits of permitted share of public funds for implementation of certain projects and activities.

Most of implementation of the NP should take place under the annual decree on implementation of measures of agricultural policy, i.e. the agro-budget, while the evaluation of effects of the agricultural policy would be followed through the regular annual report on implementation of the National Program and the Agro-budget.

3. The objective of adoption of the Law on Agriculture and Rural Development:

Adoption of the Law on Agriculture and Rural Development is provided for by Montenegro's National Program for Integration of Montenegro into the EU, under the 3.11.2 Rural Development Policy, 3.11.2.2 Short-term Priorities;

THE MAIN PROVISIONS of the Law on Agriculture and Rural Development, as the umbrella law in the field of agriculture, lay down that the law governs the issues concerning: development of agriculture and rural areas, objectives and measures of agricultural policy, incentives in agriculture and eligibility requirements, incentive beneficiaries, supplementary activities in agriculture, organizational forms in the field of agriculture, activities of public interest in agriculture, establishing of a paying agency in agriculture; records and registers as well as other issues of relevance for development of agriculture and rural areas.

Chapter III AGRICULTURAL POLICY MEASURES, classifies the general agricultural policy into four main groups: market-price, **rural development policy**, activities of public interest and social transfers to agricultural holdings.

Rural development measures take the most important place in the general agricultural policy of Montenegro; they are harmonized with the new principles and perspectives of the rural policy development in the EU, adopted in 2005. The Law envisages that the policy is implemented through four main groups of measures, or axes, according to the EU terminology.

The first group is focused on strengthening the competitiveness of food producers above all, through support to investments in primary production and processing industry, then to investments for implementation of the land policy, support to introduction of international standards, producer organization and inter-connecting, strengthening of the food production chain in general through strengthening of vertical integration. The Law, in accordance with the most recent EU regulation, also defines support to investments so widely, that it will be the largest and the most important financial support to development, particularly during the pre-accession period, when appropriate standards need to be implemented, which will, surely demand significant new investments, particularly in all the segments of primary agricultural production.

The second group of measures, or the second axis, concerns sustainable resource management, and the law defines the support to less favoured areas, the set of agro-environmental measures, that is, measures that are in accordance with the environmental protection principles, where organic and integrated farming have a special place, then sustainable use of genetic resources, use of mountain pastures, and the agro-forestry measure was defined as well, with the objective of economic valorisation of certain areas covered by low-growing plants and shrubbery that is often affected by fires.

The third group includes measures for improving the quality of life in rural areas (through construction of rural infrastructure and village renewal programs) which will also support diversification of economic activities in rural areas, not only through supplementary activities in agricultural holdings, but through support to entrepreneurship and development of small enterprises and various forms of tourism in rural areas, as well. Furthermore, the attention is paid to preservation and development of cultural heritage and all those values that have been preserved in the village (specific rural architecture, various crafts, tools and utensils, various customs and costumes, etc.)

The fourth group of rural development measures aims at affirming and supporting local governments and local groups in development and implementation of their strategies and developmental projects.

The Chapter IV of this law clearly defines the incentive beneficiaries, methods and procedures for implementation of the comprehensive agricultural policy.

Setting up of a **Paying Agency** for agriculture, which will take over all the obligations as regards implementation of incentives and other forms of support to agriculture and rural development, from the national budget as well as from donor funds, particularly IPARD support in the pre-accession period.

4. Objective of the World Bank project:

Under the World Bank project: „Montenegrin Institutional Development and Agriculture Strengthening“ (MIDAS), there is also a sub-component concerning the rural development. The objective of this sub-component is:

1. to assist setting up of an EU IPARD-compatible **Rural Development Unit (RDU)** within the MAFWM, which would act as a proto body for management of Montenegro's National Rural Development Plan.

There are currently five employees in MAFWM supervising the development and implementation of the Rural Development Plan. Although the Plan has already been focused on accomplishment of consistency with the EU IPARD priorities and procedures, further work on the Plan will be necessary in accordance with the structure and the operating procedures of the EU IPARD program. This will require employment of new staff into the existing unit, in order to be able to develop the Rural Development Plan in the manner that would be consistent with the priorities of the Axes 1, 2 and 3. Furthermore, the

beginning of activities on establishing of a monitoring and evaluation system by the Unit will be necessary.

2. Support to setting up of a Proto-Paying Agency that would, in the initial project phases, manage the funds from the national budget, the World Bank and GEF grants.

Nucleus of the IPARD Agency has been formed with five employees – a combination of young employees and the existing experienced staff, employed in the financial sector, with the intention to strengthen this nucleus further by employment of young employees. The Proto-Paying Agency will be established concurrently with the EU IPARD-compatible Rural Development Unit. The Proto-Paying Agency would be responsible for: i) application processing, ii) approval and execution of payment orders from the Technical Support Unit of the World Bank in accordance with the eligibility criteria defined by the Operational Manual iii) organization of ex-ante and ex-post control and iv) internal audit.

Supply of IT equipment, office equipment, national and international training programs for RDU and Proto-Paying Agency, technical assistance and office refurbishment, where necessary, will be financed from the credits. These activities would develop the RDU and the Proto Paying Agency in accordance with the EU IPARD standards. The staff would be employed in accordance with the systematization plan and in accordance with the number that the RDU and the Paying Agency need in order to assume the responsibility from the proto management body.

5. Objective of implementation of the Twinning Rural Development Project (IPA 2008) „Support to Establish an IPA Rural Development Programming and Implementation System“:

The objective of this project is to enhance Montenegro's rural development in accordance with the Stabilisation and Association Agreement (SAA) requirements and adoption of the Acquis communautaire, as well as to assist the establishing of institutional, strategic and legal structure within the Ministry of Agriculture, as well as to implement the rural developmental policy in accordance with the needs of IPA rural development component.

With regard to the abovementioned, the project would provide the following results:

1. Prepare the IPA program of rural development for submission to the European Commission
2. strengthen the capacity for management and making of decisions with regard to agricultural policy in MAFWM
3. Prepare MAFWM for the role of the IPARD Managing Authority responsible for measure implementation
4. Harmonize rural development national legislation with the relevant legislation from the Acquis
5. Prepare procedures for implementation of rural development measures
6. Accredite IPARD Paying Agency
7. Set up - install IT system
8. Improve initiative for participation and provision of information to agricultural entrepreneurs in the rural development policy

In the course of implementation of the MIDAS project „Strengthening Agriculture and Administrative Capacity in MAFWM“ and the Twinning project, the project co-ordination activities would be taken into account in order to establish the synergies as well as to avoid overlapping of the projects, and a series of meetings were organized in that regard.

II. PRODUCT-SPECIFIC AGRICULTURAL POLICY FRAMEWORK

8. A full description of the policies currently applied or planned is requested for each of the products or product categories listed below covering:

- the aims, the functioning and the main quantitative elements of all the product-specific agricultural policy measures currently applied and planned (support scheme – market intervention (buying-in, public/private storage, etc), production quotas, production or export levy, tax, import duties and equivalent charges and other border measures like tariff rate quotas and other preferential imports production control, export refunds, etc.).

- the management of import quotas explaining whether a system of import/export licences is used, and whether such a system provides for securities (bank guarantees) and controls (physical checks on products exported with a refund).

- the management and control of production subsidy schemes (describing procedure for lodging applications for production subsidies, registration of farmers' plots in the national farm register, containing which data, practical control of relevant crops).

Arable crops, fibre, sugar:

a) Cereals;

Due to its specific natural conditions, Montenegro has limited areas of arable land, which are underutilized. Average yields of field crops are low, which reduces the producers' competitiveness and the interest in this form of production. Development of field crop production is one of conditions for rational use of already limited natural resources. Properly directed production support can strengthen the competitiveness of field crop production, improve the economic position of producers and have a developmental effect on agriculture.

Measure :

Direct support to field crop production

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

- Increase in field crop production competitiveness
- Optimal utilization of resources available
- Better supply of cereals from domestic production

By 2008, the support was provided exclusively through participation of the state in supply of inputs (seeds). In 2008, support was given in the form of direct grants per hectare, only for specific field crops or specific cereals (buckwheat, barley, oat and rye).

As of 2009, support is introduced through direct grants per hectare for other cereals (wheat, maize) as well.

Eligibility criteria:

Support is provided for field crop production and growing.

Support is implemented in the form of direct payments per hectare of area sown for all field crops except tobacco. The minimum area for support to production of specific crops is 0.5 ha. One holding may be eligible for support for each of the crops grown the support is provided for.

In order to be eligible a farmer is obliged to present evidence on use of certified seed material, which is confirmed by a report of the Extension Service.

The basic amount of payment per hectare of a field crop is EUR 130, and for buckwheat EUR 180.

Payment:

By 2008, the support was provided in the form of support to input purchasing. Farmers are supplied with seeds, where 30% of costs are covered by farmers, while 70% of costs are covered from the budget. Buckwheat seed is refunded 100%.

In 2008, support is introduced in the form of direct payments per hectare for barley, rye and oat EUR 150/ha, and for buckwheat EUR 200/ha.

As of 2009, the amount of support per hectare is the same for all field crop products and is at the level of EUR 130/ha, except for the buckwheat of EUR 180/ha.

Payment basis and regional differentiation:

Farmers who file the application to the Extension Service in a timely manner are entitled to the support. After establishing the situation in the field, the Service presents a report to the Ministry as well as the list of farmers that meet the conditions.

The measure is implemented on the whole territory of Montenegro and the equal amount of direct payments is paid.

Amounts spent as of 2001:

Agro-budget funds in EUR

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount			27,000	30,000	40,000	55,000	90,000	200,000

Purpose of the payment:

Increase in competitiveness of domestic production and in areas sown.

Program management:

The Extension Service receives the applications for incentives and performs control in the field, and submits a report to the Ministry, which makes the payment. The control of implementation of this measure is performed by the Agricultural Inspectorate.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

- Law on customs tariffs (Official Gazette of the Republic of Montenegro 75/05 and 17/07)
- Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Tariffs by the principle of the most favoured nation (MFN tariffs), reduced tariff rates and preferential tariff quotas are set based on the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08), then on the basis of the Interim Agreement on Trade and Trade-related Matters with the European Communities, the Agreement on Amendment of and Accession to the Central European Free Trade Agreement (CEFTA 2006), and bilateral free trade agreements with Turkey and the Russian Federation. Montenegro is in the process of negotiations for the WTO membership and in November 2008, the negotiations on membership were finished. The consolidated offer for goods and services was developed, but in December 2008, Ukraine sent its requests for reduction of tariff rates and the negotiations with Ukraine are still underway.

Under the Stabilisation and Association Agreement and under the free trade agreements, full or partial liberalisation of imports of certain agricultural-food products was agreed. The liberalisation is implemented through preferential tariff quotas or through full or partial tariff reduction.

Amount and regional differentiation:

- MFN tariff on commercial, seed and hard wheat is 0% ;
- MFN tariff on commercial and seed maize - 0%;
- MFN tariff on rye - 0%;
- MFN tariff on commercial and malting type barley - 0 %;
- MFN tariff on oat -0%.

Import and export preferential tariff quotas for cereals have not been agreed.

Since MFN for these cereals amounts to 0%, their import from all countries is duty free and is not limited in terms of quantity. Imports of all other cereals are not limited in quantity and are done by MFN tariff, or entirely duty free in accordance with the free trade agreements signed or in accordance with the Stabilisation and Association Agreement.

More detailed amounts of tariffs for other cereals are presented in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Export is done without any limitations in terms of quantity, with full tariff rate or entirely duty free in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds

Funds collected from tariffs are revenues of the state budget.

Program management

The Ministry of Finance – Customs Administration is in charge of tariff management.

Tariff quotas and tariffs are defined by provisions of the Stabilisation and Association Agreement with the EU, as well as with free trade agreements that Montenegro concluded with other countries. These are published every year in the Decree on harmonization of tariff nomenclature. Utilization of quotas agreed is done by the system „first come first served”.

The system of issuing import and export permits is not provided for in Montenegro.

Furthermore, there are no export subsidies for agricultural and food products in Montenegro.

The Ministry of Agriculture, Forestry and Water Management is in charge of negotiations on free trade agreements in the field of agriculture.

In the course of the year, the Government may change the amount of tariffs only within the tariffs in accordance with the assumed international obligations Montenegro.

The proposal on modification of tariffs on agricultural products is prepared by the Ministry of Agriculture, Forestry and Water Management in co-operation with the Ministry of Economy and the Ministry of Finance.

b) dried fodder, oilseed, protein crops

Through the direct support to field crop production, Montenegro provides support only for growing fodder crops (no support for dried fodder).

Measure :

Direct support to field crop production

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

- increase in on-farm production of feed
- optimal utilization of available field resources for production of roughage
- development of feed production on available fields

Until 2008 support was given exclusively through participation of the state in supply of inputs (seeds). In 2008, support is introduced in the form of direct grants per hectare, only for the lucerne and clover-grass mixtures.

As of 2009, support in the form of direct grants per ha is introduced for all fodder crops grown in fields. For perennial fodder crops the support is provided for the following 5 years for the same area, provided that appropriate agro-technical measures are applied.

Eligibility criteria:

Support is provided for production and growing of fodder crops.

Farmers eligible for direct payments are those who sow at least 0.5 ha under fodder crops. One farm may be eligible for each of the crops stated.

In order to exercise the right to support, the farmer has to present evidence on use of certified seed material, which is confirmed by a report from the Extension Service.

Payment :

Until 2008, the support was given in the form of participation of the state in supply of inputs. Farmers were supplied with seed, where 50% of the costs were borne by the farmers, while 50% were covered from the agro-budget.

In 2008, the amount of direct payments per hectare is the same for lucerne and for clover-grass mixtures and it amounts to EUR 150/ha.

As of 2009, the amount of support per hectare is the same for all fodder crops and it is at the level of EUR 130/ha.

Payment basis and regional differentiation:

Eligible farmers are those who file the application to the Extension Service in a timely manner. After establishing the situation in the field, the Service presents a report and the list of farmers who satisfy the requirements to the Ministry.

The measure is implemented on the whole territory of Montenegro and equal amount of direct payments is paid.

Amounts spent as of 2001:

Funds from Agro-budget in EUR

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount	90,000	60,000	45,000	30,000	15,000	20,000	100,000	105,000

Purpose of the payment:

Increase in production of feed from domestic sources and increase in areas sown.

Program management:

The applications for incentives and field control are received by the Extension Service, the Service submits a report to the Ministry, which makes a payment. The control over the implementation of this measure is carried out by the Agricultural Inspectorate.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

- MFN tariff on dried fodder is 0%
- MFN tariff on soy, rape and sunflower is 0%.
- MFN tariff on seed pea and vetch seed is 0%, on other peas 20%, and on broadbean 10%.

Import and export preferential tariff quotas for dried fodder, oilseed and protein crops have not been agreed.

Since MFN tariff on dried fodder, oilseed, seed peas, lupin seeds and vetch seed is 0%, import of these products from all countries is duty free and is not limited in terms of quantity.

Imports of other fodder, oilseed and protein crops is not limited in terms of quantity and is done in accordance with the MFN tariff, or entirely duty free in accordance with the free trade agreements signed and in accordance with the Stabilisation and Association Agreement.

More detailed amounts of tariffs for dried fodder, oilseed and protein crops are given in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08).

Imports take place without limitations in terms of quantity, at full tariff or entirely duty free in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

c) potato starch;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on potato starch (tariff heading 1108 13 00) is 5%.

Import and export preferential tariff quotas for potato starch have not been agreed.

In accordance with the free trade agreements signed (except with Turkey) and the Stabilisation and Association Agreement, liberalisation of potato starch imports has been agreed.

MFN tariff is applied on imports of potato starch from Turkey and other countries (that Montenegro has not signed free trade agreements with).

Exports are made without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

d) rice;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

MFN tariff on all rice types (tariff heading 1006) is 3%.

Import and export preferential tariff quotas for rice have not been agreed.

In accordance with the free trade agreements signed (except with Turkey) and the Stabilisation and Association Agreement, liberalization of imports of all types of rice has been agreed.

MFN tariff applies to imports of rice from Turkey and other states (that Montenegro does not have free trade agreements signed with).

Exports are made without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

e) flax and hemp;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on flax and hemp is 0 % (tariff headings 5301 and 5302).

Import and export preferential tariff quotas for flax and hemp have not been agreed.

Since MFN tariff on flax and hemp is 0%, import of flax and hemp from all countries is duty free and is not limited in terms of quantity.

Export are made without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

f) cotton;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on cotton is 0 % (tariff headings 5201, 5202 and 5203).

Import and export preferential tariff quotas for cotton have not been agreed.

Since MFN tariff on cotton is 0%, imports of cotton from all countries are duty free and are not limited in terms of quantity.

Exports are made without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

g) silkworms;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on silkworm cocoons is 1 % (tariff heading 5001).

Import and export preferential tariff quotas for silkworm have not been agreed.

In accordance with the free trade agreements signed (except with Turkey and Albania) and the Stabilisation and Association Agreement, liberalisation of imports of silkworm cocoons has been agreed.

MFN tariff is applied on imports of silkworm cocoons from Turkey, Albania and other countries (that Montenegro does not have free trade agreements signed with).

Exports are made without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

h) sugar;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on sugar beet, sugar cane and raw and refined sugar is 0 %.

Import and export preferential tariff quotas for sugar have not been agreed.

Since MFN is 0 %, imports of sugar beet and cane and import of raw and refined sugar from all countries is duty free and is not limited in terms of quantity.

Detailed amounts of tariffs for sugar are given in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Exports are made without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

i) potato

Measure:

Direct support to field crop production (introduced in 2009)

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Increase in competitiveness of potato production and establishing of commercially-oriented holdings as well as provision of good quality of seed material from domestic production.

The support is implemented in the form of direct payments per hectare of area sown.

Measure for support to commercial potato production was introduced in 2009.

Eligibility criteria:

Minimum area for support is 0.5 ha. Use of certified seed is one of eligibility criteria. Compliance with the criteria and requirements regarding the seed production in accordance with the laws governing the field of seeds and plant protection is an eligibility criterion as well.

Payment :

The amount of the support is EUR 130/ha, while for production of seed potatoes the support amounts to EUR 600/ha.

Payment basis and regional differentiation:

Farmers who file the application to the Extension Service in a timely manner are entitled to the support. After establishing the situation in the field, the Service presents a report to the Ministry as well as the list of farmers that meet the conditions.

The measure is implemented on the whole territory of Montenegro and equal amount of direct payments is paid.

Measure introduced in 2009.

Purpose of the payment:

Increase in competitiveness of domestic production and increase of areas sown.

Program management:

The Extension Service and Phytosanitary Administration receive the applications for incentives and perform control in the field, and submit a report to the Ministry, which approves the payment. The control of implementation of this measure is performed by the Agricultural Inspectorate.

Measure :

Development of seed potato production (measure had been applied until 2008)

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

- improving the production and increase in areas under seed potato;
- improving the quality of seed potato produced.

Support had been given only to registered seed potato producers. Compliance with the criteria and requirements regarding the seed potato production in accordance with the laws, which had been verified by reports from the Phytosanitary Administration had been the eligibility criterion.

Eligibility criteria:

Support had been provided for production and growing of seed potato.

All registered seed potato producers who set up areas of minimum 0.5 ha with elite seed were entitled to direct payments. Every producer who applied had to pass the control of the Commission for Health and Technical Supervision. Locations selected, use of elite seed and application of mandatory agro-technical and other measures in these locations were controlled.

Payment :

Direct support to producers who satisfied all the criteria for seed production amounted EUR 600/ha.

Payment basis and regional differentiation:

Farmers who filed the application to the Phytosanitary Administration in a timely manner and were assessed in positive manner by the Commission for Health and Technical Supervision and Agricultural Inspectorate had been entitled to the premium.

Equal amount of incentives had been paid on the whole territory of Montenegro.

Amounts spent as of 2001:Funds of Agro-budget in EUR

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount	90,000	55,000	35,000	85,000	85,000	60,000	60,000	78,000

Purpose of the payment:

Increase in competitiveness of domestic production and increase of areas sown.

Program management:

The Phytosanitary Administration had received the applications for incentives and for control of plots and localities that applied for support, followed by submission of a report to the Ministry. The control of implementation of this measure had been performed by the Agricultural Inspectorate.

Measure:

Tariffs and preferential tariff quotas.

Legal basis::

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on seed potato categories SE % and E% (tariff heading 0701 10 00 10) is 0%, while for other seed potato (tariff heading 0701 10 00 90) is 30%; MFN tariff for other potato (tariff heading 0701 90) is 30% + EUR 0.08/kg.

Since MFN tariff for *seed potato* of SE% and E% categories is 0%, imports of these seed potato categories from all countries is duty free and is not limited in terms of quantity.

In accordance with the free trade agreements signed (except those with Turkey and Albania) and the Stabilisation and Association Agreement, the liberalization of imports of *other seed potato categories* was agreed.

MFN tariff is applied on imports of other categories of seed potato from Turkey and Albania and other countries (that Montenegro does not have free trade agreements signed with).

For imports of *other potato* liberalisation was agreed with the Russian Federation and CEFTA members, with the exception of Croatia and Albania.

For imports of other potato from the EU, reduction to 50% of MFN has been planned for the period 2008 - 2012.

MFN tariff is applied on imports of other potato from Albania and Turkey and other countries (that Montenegro does not have free trade agreements signed with).

For imports from Croatia, a quota of 600 t of potato at the tariff rate of 10% has been agreed. MFN tariff is applied on imports of other quantities beyond the preferential quota.

Potato is exported without limitations in terms of quantity, at full tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement, with the exception of Croatia.

For exports of potato to Croatia, a quota of 600 t has been agreed, at the tariff rate of 10%. MFN tariff applies on exports beyond the preferential quota.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

Animal products:

j) milk and milk products;

Measure:

Support to milk production for the market

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)

- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Increase in competitiveness of milk production for the market; support to development of commercial milk production in order to supply the dairies; increase in share of milk collected in total milk production; improvement of the milk quality

Support is provided to producers who supply milk to registered dairies and take part in implementation of the national milk quality improvement system.

Eligibility criteria:

Beneficiaries are farmers from Montenegro supplying minimum 200 litres of milk per month to registered milk processors.

The basis for calculation of premiums for milk is the quantity of milk supplied to milk processors who submit the lists with monthly quantities of milk collected to the Ministry, for the purpose of payment.

As of 2003, milk price setting is governed by the Decree on criteria and method for setting the collecting milk price (Official Gazette of Montenegro 66/02), laying down that the starting basis for calculation of collecting price of raw milk, of average 3.7% of milk fat and 3.2% of protein content are established through an agreement between milk producers and milk processors.

The collecting price of raw milk is set based on parameters for determining the quality of raw milk, as follows: milk fat content, protein content, total somatic cell count and total bacteria count. The Decree defines the formula for calculation of collecting price of raw milk and classes are set for classification of milk based on the total bacteria and total somatic cell counts.

Payment:

In 2009, the support is given in the form of a premium per litre of milk supplied, which amounts to EUR 0.035/litre, as well as an additional premium of EUR 0.02/litre, which will be paid in the course of 2009, until implementation of the payment of premium per head of breeding cows and heifers.

Amount of milk premiums per litre in EUR

years	2001	2002	2003	2004	2005	2006	2007	2008
Premium	0.048	-	0.02	0.02	0.02	0.02	0.02 ; as of September* 0.057	0.057

**together with the program for alleviation of consequences of drought*

Payment basis and regional differentiation:

Payment basis is Agro-budget for the current year. There is no regional differentiation.

Amounts spent as of 2001:

Funds of Agro-budget in EUR

years	2001	2002	2003	2004	2005	2006	2007	2008
Amount	766,930	-	433,333	433,333	370,000	460,000	570,000	1,040,000

Purpose of the payment:

Increase in share of milk collected in the total milk production and improving the competitiveness of domestic producers.

Program management:

The applications for payment of premiums are submitted to the Ministry of Agriculture, Forestry and Water Management by registered milk processors on behalf of milk producers. The lists are controlled by the Agricultural Inspectorate. Premiums are paid through the milk processors.

Measure:

Incentives to commodity milk production (measure had been applied until 2008)

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Development of commodity production through stimulating the increase in milk quantities collected per farm.

The dairy farm consolidation process was stimulated under this measure by subsidizing all milk quantities above 10,000 litres, supplied to registered processors through the collection process.

Eligibility criteria:

Beneficiaries are farmers from Montenegro who supply regularly minimum 10,000 litres of milk per annum to registered milk producers.

Payment:

Amounts of premiums for milk per litre in EUR

Years	2001	2002	2003	2004	2005	2006	2007	2008
Premium	0.0256	0.0256	0.025	0.025	0.025	0.025	0.025	0.025

Payment basis and regional differentiation:

Payment basis is Agro-budget for the current year. There is no regional differentiation.

Amounts spent as of 2001:

Funds of Agro-budget in EUR

years	2001	2002	2003	2004	2005	2006	2007	2008
Amount	127,820	51,129	60,000	60,000	70,000	9,000	120,000	70,000

Purpose of the payment:

Consolidation of dairy farms and increase in quantities of milk collected in the total quantity of milk produced.

Program management :

Registered milk processors submit the lists of dairy milk suppliers eligible for additional premiums, including the quantities of milk supplied, to the Ministry, twice a year. The Agricultural Inspectorate performs controls of the lists and the situation in the field. After that, payments are made to the dairy milk suppliers, through the registered milk processors.

Measure:

Support to strengthening of milk collecting network

Legal basis :

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Maintenance, strengthening and expansion of milk collecting infrastructure, increase in competitiveness of milk production and processing, increase in quantities collected by and processed in registered dairies and extending the range of dairy products produced in the country.

Through participation in financing of milk collecting costs, including the operations of collecting centres, dairies are supported to maintain and expand the collecting network.

Eligibility criteria:

The basis for participation in financing of collecting costs is the quantity of milk collected, provide by enclosed lists of producers, indicating the quantities collected.

Payment :

In 2009, the support is given in the form of a premium per litre of milk delivered, which amounts to EUR 0.025/litre, as well as an additional premium of EUR 0.02/litre for quantities of milk collected above those collected in the previous year.

Amounts of premiums for milk per litre in EUR

years	2001	2002	2003	2004	2005	2006	2007	2008
Premium	-	-	0.04	0.04	0.04	0.04	0.04	0.04

Payment basis and regional differentiation:

Payment basis is Agro-budget for the current year. There is no regional differentiation.

Amounts spent as of 2001:**Funds of Agro-budget in EUR**

years	2001	2002	2003	2004	2005	2006	2007	2008
Amount	-	-	866,667	866,667	740,000	920,000	940,000	880,000

Purpose of the payment:

Improving the milk quality, expanding the product range and improvement of the milk collecting network.

Program management

Registered milk processors submit the applications for payment of premiums for milk collecting to the Ministry of Agriculture, Forestry and Water Management, once a month. The Agricultural Inspectorate performs controls of the lists and premiums are paid to the milk processors directly.

Measure:

Tariffs and preferential tariff quotas

Legal basis::

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on certain types of milk and milk products amounts to:

- for milk: as of 0%-20%+ EUR 0.10/kg
- for yogurt: as of 20%-20% + EUR 0.17/kg
- for butter: 30%+ EUR 1.0/kg
- for cheese: 30%+ EUR 0.30/kg

Imports of milk and dairy products from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation are liberalized.

Imports of milk and milk products from the EU are made in accordance with the Stabilisation and Association Agreement, and depending on the type of product, conditions for import are set at 0%, then a with a phased reduction of MFN tariff to 0% in five years, or to 50% of MFN tariff.

Preferential import tariff quotas have been agreed with Albania and Croatia as follows:

For Albania:

- yogurt -100 t with tariff 0%;
- butter - 50 t with tariff 0%;
- cheese -100 t with tariff 0%;

For Croatia:

- milk -100 t at tariff rate of 10%
- cheese - 40 t at tariff rate of 10%.

MFN tariffs are applied to imports beyond the preferential quotas as well as imports of milk and milk products from Turkey and other states (that Montenegro does not have free trade agreements signed with).

Detailed amounts of tariffs for milk and milk products by tariff headings within and beyond quotas agreed are stated in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Exports of milk and milk products, except for Croatia and Albania, are made without limitations in terms of quantity, with full or partly reduced tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

For exports of milk and milk products to Croatia and Albania, the same conditions apply as for imports from these countries.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

k) beef and veal;

Measure:

Direct support to livestock production - Premiums per head for breeding cows and heifers

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Specific natural conditions, reflected in large areas of low-productive natural meadows and pastures, predetermined the prevailing extensive ruminant farming in Montenegro. In cattle farming, breeding of non-specialized, i.e. the dual-purpose production breeds (for milk and meat) prevails, with pronounced seasonal calving. Increase in competitiveness of producers through direct payments may accelerate the livestock sector development in line with EU standards and requirements, and enable the sector's gradual integration with the EU common market.

Eligibility criteria:

All holdings keeping more than 3 head of breeding cows and heifers are eligible to support for such animals, where premiums apply only to animals above this minimum number, up to a maximum of 50 head. The criterion is fulfilled if a holding keeps that number of head for the period of minimum 6 months. Premiums for cows and heifers were separate by the end of 2008.

Payment:

The basic premium per head for breeding cows and heifers amounts to EUR 80. Identification of animals is the precondition for premiums for cattle. Premiums for cows and heifers were separate and different in amounts by the end of 2008.

11 Agriculture and rural development

Minimum number eligible for the premium

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Cows north	head	6	5	5	5	5	4	4	4
Cows south	head	6	5	5	5	5	4	4	4
Heifers	head	1	1	1	1	1	1	1	1

Payment basis and regional differentiation:

Payment basis is Agro-budget (by the end of 2008, the measure was divided into the premium in the northern and the premium in the southern region of Montenegro, while holdings in the milk collecting zone were not eligible for this premium). As of 2009, there is no differentiation by region or milk collecting zones.

Amounts of the premium in EUR

Description	2001		2002		2003		2004		2005		2006		2007		2008	
	North	South	N	S	N	S	N	S	N	S	N	S	N	S	N	S
Cows	50	35	75	50	60	50	60	50	60	50	60	50	60	50	65	55
Heifers	100		100		100		100		100		100		100		100	

Amounts spent as of 2001:

Funds of Agro-budget in EUR

Description	2001	2002	2003	2004	2005	2006	2007	2008
Cows north	200,000	112,500	180,000	240,000	258,000	282,000	360,000	426,400
Cows south	35,000	37,500	40,000	40,000	60,000	26,000	35,000	35,200
Cows total	235,000	150,000	220,000	280,000	318,000	308,000	395,000	461,600
Heifers	150,000	70,000	100,000	100,000	100,000	105,000	120,000	127,000
TOTAL	385,000	220,000	320,000	380,000	418,000	413,000	515,000	588,600

Purpose of the payment

Increase in competitiveness of livestock production, providing conditions for a balanced cattle farming development, better utilization of resources available and natural meadows in particular, strengthening of vertical integration in meat production and improvement of the food safety system, contribution to rural development through better income of agricultural holdings and hence increase in the quality of life in rural areas.

Program management

At the beginning of the year, the Livestock Selection Service distributes application forms for the premiums and announces the measure through the media. Based on applications received from the farmers, the Service checks the situation in the field. Following the field visits, the Service produces a report and sets up lists, which are submitted to the Ministry for payment of the premiums. Payments are made following the control of the lists by the Agricultural Inspectorate.

Measure:

Direct support to livestock production - slaughter premiums per head for fattened beef cattle and other categories of adult cattle.

Legal basis :

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Fattening of young cattle for beef production is poorly developed and of a small volume. Extensive ruminant rearing system and low productivity reduce the producers' competitive capacity. For that reason, the livestock farming potential remains unutilised, which has negative consequences on development of Montenegro's agriculture and rural areas in general. Improving producers' competitiveness through direct payments can accelerate the development of the livestock farming

sector, in line with EU standards and requirements, and enable the sector's gradual integration into the EU common market.

Eligibility criteria:

The right to slaughter premiums for fattened beef cattle and other categories of adult cattle is available to holdings selling such categories of cattle to a registered slaughterhouse, up to a maximum of 90 head per year. Slaughter premiums apply to adult cattle of minimum weight of 400 kg per head, with the exception of beef cattle fattened in the pastures, which may have minimum weight of 350 kg at slaughter. Premiums can be received only for cattle reared in Montenegro, while imported cattle should be fattened for at least six months on the holding.

By the end of 2008, the criteria were as follows:

- a) support is given to organized beef cattle fattening in producers who achieve minimum 1000 kg live weight gain in pasture cattle beef fattening, or 1500 kg in stable cattle beef fattening;
- b) animals fattened must be identified in accordance with the legislation, and those supplied from beyond Montenegro must be fattened for minimum six months on the holding.

Payment:

The basic slaughter premium per head of beef cattle fattened amounts to EUR 120, and for other categories of adult cattle EUR 40 per head - there are no premiums for calf slaughtering. Identification of animals is the precondition for slaughter premiums. By the end of 2008, the premium for beef cattle fattened had been per kg of weight gain.

Minimum weight gain in kg per farm

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Beef cattle pasture	weight gain in kg	1 000	1 000	1,000	1,000	1,000	1,000	1,000	1,000
Beef cattle stable	weight gain in kg			1,500	1,500	1,500	1,500	1,500	1,500

Amount per kg of weight gain in EUR

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Beef cattle pasture	weight gain in kg	0.3	0.0	0.3	0.3	0.3	0.3	0.3	0.3
Beef cattle stable	weight gain in kg			0.2	0.2	0.2	0.2	0.2	0.2

Payment basis and regional differentiation:

Payment basis is Agro-budget. There is no regional differentiation.

Amounts spent as of 2001:

Funds of Agro-budget in EUR

Description	2001	2002	2003	2004	2005	2006	2007	2008
Beef cattle pasture	36,000	39,000	36,000	24,000	18,000	18,000	15,000	38,220
Beef cattle stable			24,000	24,000	18,000	18,000	27,000	54,780
TOTAL	36,000	39,000	60,000	48,000	36,000	36,000	42,000	93,000

Purpose of the payment

Strengthening of vertical integration in meat production and improvement of the food safety system by encouraging cattle slaughter in slaughterhouses fulfilling the veterinary and sanitary conditions prescribed, contribute to rural development through higher income of agricultural holdings, and thus improve the quality of life in rural areas.

Program management:

At the beginning of the year, the Livestock Selection Service distributes application forms for the premiums and announces the measure through the media. Based on applications received from the farmers, the Service checks the situation in the field. Following the field visits, the Service produces a report and sets up lists, which are submitted to the Ministry for payment of the premiums. Payments are made following the control of the lists by the Agricultural Inspectorate.

Measure:

Direct support to livestock production - Premiums for licensed bulls

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

The livestock sector is a dominant branch of agriculture in Montenegro and most rural households are engaged in it. The degree to which genetic potential and breed structure is improved varies depending on the type of livestock. Increasingly strong competition requires high levels of production per unit, i.e., per breeding animal, which cannot be achieved without systematic work on consistent implementation of breeding-selection programs for certain livestock species and breeds. In the process of development of livestock farming, Montenegro has been increasingly introducing international principles, and in particular the rules of the International Committee for Animal Recording (ICAR).

Eligibility criteria:

Eligible livestock farmers are those keeping breeding bulls in remote rural areas, where artificial insemination cannot be organized. Bulls should be kept on the holding for the period of 12 months.

Payment:

Up to EUR 150 per head. In case the number of breeding bulls selected and licensed is higher than the amount earmarked by the plan, the amount per breeding bull is reduced proportionally.

Minimum number of animals necessary for eligibility for the premium

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Bulls	head	1	1	1	1	1	1	1	1

Premium per head in EUR

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Bulls	head	125	100	100	100	100	100	100	100

Payment basis and regional differentiation:

Payment basis is Agro-budget. There is no regional differentiation.

Amounts spent as of 2001:

Funds of Agro-budget in EUR

Description	2001	2002	2003	2004	2005	2006	2007	2008
Bulls	37,500	30,000	30,000	30,000	30,000	25,000	40,000	44,400

Purpose of the payment

Improving competitiveness in livestock production by improving the genetic potential of breeding animals, introduction and implementation of international standards in livestock breeding improvement programs.

Program management:

At the beginning of the year, the Livestock Selection Service distributes application forms for the premiums and announces the measure through the media. Based on applications received from the farmers, the Service checks the situation in the field. Following the field visits, the Service produces a report and sets up lists, which are submitted to the Ministry for payment of the premiums. Payments are made following the control of the lists by the Agricultural Inspectorate.

Measure:

Direct support to livestock production - semen for artificial insemination of cows

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support to agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

In the process of development of livestock farming, Montenegro has been increasingly introducing international principles, and in particular the rules of the International Committee for Animal Recording (ICAR). It requires, in addition to a functional livestock professional service, provision of quality semen for the artificial insemination of cows or, where artificial insemination is not practised, the use of quality breeding bulls. Bearing in mind the characteristics of Montenegrin livestock farming (population, level of development of some sectors, previous work on improvements, etc.), it cannot be done without support from the budget.

Eligibility criteria:

Registered veterinary surgeries and stations may be eligible for support.

Payment:

Supply of semen for artificial insemination of cows is supported, provided that all the conditions regarding its quality have been met. Supply of the semen for artificial insemination is supported in entirety.

Payment basis and regional differentiation:

Payment basis is Agro-budget. There is no regional differentiation.

Amounts spent as of 2001:

Funds of Agro-budget in EUR

Description	2001	2002	2003	2004	2005	2006	2007	2008
Semen	276,000	240,000	298,000	298,000	330,000	315,000	280,000	246,000

Purpose of the payment

Improving competitiveness in livestock production by improving the genetic potential of breeding animals, introduction and implementation of international standards in livestock breeding improvement programs.

Program management:

At the beginning of the year, the Livestock Selection Service distributes application forms for the premiums and announces the measure through the media. Based on applications received from the farmers, the Service checks the situation in the field. Following the field visits, the Service produces a report and sets up lists, which are submitted to the Ministry for payment of the premiums. Payments are made following the control of the lists by the Agricultural Inspectorate.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction are described in the answer to the question No. 8 (Chapter II) under: a) cereals.

- MFN tariff on cattle ranges from 0% - 30% depending on the category (for breeding 0%, weight up to 160 kg 15% and for cattle that weigh more than 160 kg 30%)
- MFN tariff on fresh beef amounts to 10% + EUR 0.25/kg, and for frozen 15% + EUR 0.25/kg.

Imports of cattle and beef from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation is liberalised.

Imports of cattle and beef from the EU are made in accordance with the Stabilisation and Association Agreement with gradual reduction of tariff over the period of 5 years to 50% of the MFN tariff.

Preferential import tariff quotas for cattle have been agreed with Croatia, in the quantity of 140 t with tariff of 10%, while preferential tariff rate of 20% has been agreed for beef.

Imports beyond preferential quotas, as well as imports of cattle and beef from Albania and Turkey and other states (that Montenegro does not have free trade agreements signed with) is done in accordance with the MFN tariff.

Detailed amounts of tariffs for cattle, beef and veal beyond and within the quotas are given in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08).

Exports of cattle and beef are made without limitations in terms of quantity, with full tariff, partly reduced tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement, except for exports of certain categories of cattle and beef to the EU and Croatia.

The Stabilisation and Association Agreement lays down the export quota for young beef in the quantity of 800 t at tariff rate of 20% ad valorem and 20% of specific duty.

The same conditions that apply for imports of cattle from Croatia are applied for export of cattle to Croatia.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to Part II, question No. 8 (Chapter II) under: a) cereals.

I) sheep and goats;

Measure:

Direct support to livestock production – premiums per head of sheep and goats

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Extensive ruminant rearing systems and low productivity reduce the producers' competitive capacity. For that reason, the livestock farming potential remains unutilised, which has negative consequences on the development of Montenegro's agriculture and rural areas in general. The utilisation of existing natural resources - natural meadows and pastures - is possible only through ruminant rearing tightly linked with staying of the active workforce in pronouncedly rural areas of Montenegro. Improving producers' competitiveness through direct payments can accelerate the development of the livestock farming sector, in line with EU standards and requirements, and enable the sector's gradual integration with the EU common market.

Eligibility criteria:

All holdings rearing more than 20 sheep and/or more than 10 goats in a herd are eligible for support. The payments are available only for the number of animals above the minimum number, to a maximum of 300 head per holding for the premium. By the end of 2008, the premiums for sheep and goats differed in minimum number of animals eligible for the premium.

Payment:

The basic premium per head of breeding sheep and goats amounts to EUR 10. By the end of 2008, the amount per head varied.

Minimum number of animals necessary for eligibility for the premium in sheep and goat farming

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Sheep	head	40	40	40	40	40	40	30	30
Goats	head	30	30	30	30	30	30	20	20

Premium per head in EUR

Description	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Sheep	head	10	7.5	7	7	7	7	8	9
Goats	head	10	7.5	7	7	7	7	8	9

Payment basis and regional differentiation:

Payment basis is Agro-budget. There is no regional differentiation.

Amounts spent as of 2001:

Funds of Agro-budget in EUR

Description	2001	2002	2003	2004	2005	2006	2007	2008
Sheep	509,500	307,500	250,000	357,000	385,000	378,000	520,000	751,500
Goats	43,750	39,000	42,000	56,000	67,900	56,000	76,000	105,300
TOTAL	553,250	346,500	392,000	413,000	452,900	434,000	596,000	856,800

Purpose of the payment:

Providing conditions for a balanced development of sheep and goat farming, better utilisation of resources available and natural meadows in particular, contribution to rural development through higher income of agricultural holdings and thus increase in the quality of life in rural areas, increase in number of farmers rearing a larger number of animals in a herd, higher meat production, improved supply of specific and autochthonous products for the tourism sector needs.

Program management:

At the beginning of the year, the Livestock Selection Service distributes application forms for the premiums and announces the measure through the media. Based on applications received from the farmers, the Service checks the situation in the field. Following the field visits, the Service produces a report and sets up lists, which are submitted to the Ministry for payment of the premiums. Payments are made following the control of the lists by the Agricultural Inspectorate.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN tariff on lambs amounts to 30% + EUR 0.20/kg, for other sheep categories 30%.

- MFN tariff on breeding sheep and goats amounts to 0%.
- MFN tariff on sheep and goat meat amounts to 30%.

Imports of live sheep and goats is liberalised with CEFTA members, except with Albania, where MFN tariff applies. The MFN tariff is also applied for imports from Turkey and other states.

Imports of *live sheep and goats* from the EU are made in accordance with the Stabilisation and Association Agreement, with gradual reduction of tariff for the period of 5 years to 50% of the MFN tariff.

Imports of *sheep and goat meat* from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation are liberalised.

Imports of sheep and goat meat from the EU are made in accordance with the Stabilisation and Association Agreement with gradual reduction of tariff over the period of five years to 50% of the MFN tariff.

Preferential import tariff quotas for sheep and goat meat have been agreed with Albania and Croatia, as follows:

- duty-free quota of 100 t for imports of sheep and goat meat from Albania;
- preferential quota for imports from Croatia amounts to 300 t of sheep and goat meat at the 10% rate.

MFN tariffs apply on imports beyond preferential quotas, as well as on imports of sheep and goat meat from Turkey and other states (that Montenegro does not have free trade agreements signed with).

Detailed amounts of tariffs for sheep and goat meat beyond and within the quotas are given in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08).

Exports of sheep and goat meat are made without limitations in terms of quantity, with full tariff, partly reduced tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement, except for exports into Albania and Croatia, where the same conditions as for import of sheep and goat meat from these countries are applied.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Given in answer to the question No. 8 (Chapter II) under: a) cereals.

m) pigmeat;

Measures:

Support to investments in agriculture (Measure implemented in 2008 only)

- Support to restructuring of pig farms with more than 200 brood sows and operation of breeding centre in pig farming
- Support to investments in registered pig farms with more than 100 fattening pigs

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Socialist Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for support agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Objective and general description of the measure:

Increase in competitiveness of primary agriculture and processing industry and maximising the effects. Support to pig farming restructuring.

Eligibility criteria:

All holdings rearing more than 200 brood sows and/or 100 fattening pigs in a herd are eligible for support for pig farms. There is one breeding centre in Montenegro and all the funds earmarked were given to it, while fattening pig farms received up to 30% of the investment made.

Payment:

Support to pig breeding centre amounted to EUR 120 000, and for fattening pig farms not more than EUR 4 000 per farm.

Minimum number of animals necessary for eligibility for the premium

Description	Unit	2008
Number of head	holding	> 100 fattening pigs
Number of head	holding	> 200 sows

Payment basis and regional differentiation:

Payment basis is Agro-budget for 2008. There is no regional differentiation.

Amounts spent as of 2000:**Funds of Agro-budget in EUR**

Description	Unit	2008
More than 100 head	holding	27,000
More than 200 head	holding	12,000
TOTAL		147,000

Purpose of the payment:

Implementation of this program contributes to accomplishing of agricultural policy objectives as defined by the Agriculture Development Strategy, and in particular as regards increase in competitiveness. The abovementioned program of support will accelerate introduction of international standards necessary, particularly the EU standards. Implementation of the projects removes bottlenecks in production and increases the level of food safety, establishes a better access to the market and provides better equipment.

Program management:

Ministry of Agriculture, Forestry and Water Management, Biotechnical Faculty - Livestock Selection Service, Agricultural Inspectorate.

Measure:Tariffs and preferential tariff quotasLegal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

MFN on *live pigs* amounts to 15%, except breeding pigs, where duty free import is provided for.

MFN tariff on *fresh pigmeat* amounts to EUR 0.10/kg, and for *frozen* 5% + EUR 0.10/kg.

Imports of live pigs from the EU are made in accordance with the Stabilisation and Association Agreement, with gradual reduction of tariff over the period of 5 years to 0%.

- Imports of live pigs of weight less than 50 kg is liberalised, with the exception of Turkey and Albania where MFN tariff is applied, while preferential tariff rate of 10% is agreed with Croatia.
- Imports of live pigs of weight less than 50 kg from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation are liberalised.

- MFN tariff is applied on imports of live pigs of weight above 50 kg from Albania, Croatia and Turkey, while imports of live pigs from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation are liberalised.
- Imports of pigmeat from the EU are made in accordance with the Stabilisation and Association Agreement with gradual tariff reduction over the period of 5 years to 0%.

Preferential import tariffs for frozen pigmeat have been agreed with Croatia, at 10%, while imports of pigmeat from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and Russian Federation is liberalised.

MFN tariffs apply on imports of pigmeat from Albania and Turkey and other countries (that Montenegro does not have free trade agreements signed with).

Detailed amounts of tariffs for pigmeat by tariff headings are given in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08).

Imports of live pigs and pigmeat are made without limitations in terms of quantity, with full tariff, partly reduced tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement,

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Described in answer to the question No. 8 (Chapter II) under: a) cereals.

n) eggs, poultry;

Except tariffs, no other measures of agricultural policy are applied.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis: the same as in answer to the question No. 8 (Chapter II) under: a) cereals.

Amount and regional differentiation:

Method for setting tariffs and preferential tariff quotas and annual pace of reduction is described in answer to the question No. 8 (Chapter II) under: a) cereals.

- MFN tariff on poultry amounts to 0-20% depending on the category
- MFN tariff on poultry meat ranges from 15 - 30% + EUR 0.10/kg
- MFN on brooding eggs amounts to 5% while for other categories tariff ranges from 10%-30%.

Imports of eggs, poultry and poultry meat from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation are liberalised.

Imports of eggs and poultry meat from the EU are made in accordance with the Stabilisation and Association Agreement with gradual reduction of tariff over the period of 5 years to 50% of MFN tariff, and imports of poultry with gradual reduction of tariff over the period of 5 years to 0%.

For imports of eggs, poultry and poultry meat from Croatia, preferential quotas of 50 t each have been agreed at the rate of 10% (0% for poultry).

MFN tariffs apply on imports of eggs, poultry and poultry meat beyond the preferential quotas as well as imports from Albania and Turkey and other states.

Detailed amounts of tariffs for eggs, poultry and poultry meat by tariff headings beyond and within quotas are given in the Decree on harmonization of tariff nomenclature for 2009 (Official Gazette of Montenegro 78/08).

Exports of eggs, poultry and poultry meat are made without limitations in terms of quantity, with full tariff, partly reduced tariff or entirely duty free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement, except for Croatia, where the same conditions as for imports are applied.

Purpose of the funds:

Funds from tariffs collected are revenues of the State Budget.

Program management:

Given in answer to the question No. 8 (Chapter II) under: a) cereals.

o) honey.

Measure:

Introduction of selected queen bees into production

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general measure description:

The objective is protection and genetic improvement of local ecotypes of honey bee and encouragement of their keeping for the purpose of improvement of productivity and disease resistance.

The measure entails participation in financing of supply of selected queen bees by beekeepers and assistance to Queen Bee Selection Centres, where selection of queen bees from selected strains is performed.

Eligibility criteria:

The beekeeper beneficiary must be a member of Federation of Beekeeping Organizations of Montenegro. Centres for selection must implement all measures prescribed by experts in charge of development and implementation of the Project on setting up of Queen Bee Selection Centres. Following the control checks of selected strains in the Centres, the experts submit reports to the Ministry of Agriculture, Forestry and Water Management which earmarks assistance for Centres on the basis of these reports.

Payment:

Pending 2006, payment comprised only participation in supply of queen bees in the amount of EUR 1.79 per one (in 2001 and 2002), and EUR 2.00 in 2003. In all following years, participation in supply of queen bees amounted to EUR 3.00 per one. Since 2006, financial funds have been earmarked for setting up and operation of the Queen Bee Selection Centres in accordance with the Project on Setting up the Queen Bee Selection Centres.

Payment basis and regional differentiation:

Funds earmarked by the Plan of Use of Funds for Support to Agriculture and Fisheries Development (Agrobudget) of the Ministry of Agriculture, Forestry and Water Management represent the payment basis. There is no differentiation by regions.

Amounts spent since 2001:

Funds from Agrobudget in EUR

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount of funds	10,730	8,948	10,000	18,000	16,500	29,000	29,000	40,000

Purpose of payment:

Funds are earmarked as assistance for supply of selected queen bees and implementation of prescribed measures of selection of queen bees and assistance to Centres for Selection.

Programme management:

Federation of Beekeeping Organizations submits a report to the Ministry of Agriculture, Forestry and Water Management on distribution of queen bees with the list of beekeepers who took them over. Along with lists of distribution, minutes of agricultural inspectors controlling distribution of queen bees to beekeepers are submitted to the Ministry. The experts in charge of implementation of the project on setting up of Queen Bee Selection Centres submit the report to the Ministry of Agriculture on activities undertaken as well as the condition of selected queen bee strains. Advisor for beekeeping in the Ministry processes the lists and reports and submits them to the Department for monitoring of incentive measures, market and prices, which carries out the further payment procedure.

Measure:

Improvement of competitiveness in beekeeping production

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general programme description:

Improvement of competitiveness of domestic beekeepers, improvement of quality and health safety of bee products.

The measure encompasses participation in costs of supply of hives, feeders, equipment for extraction, filling, storage of honey, and equipment for improvement of hygiene regarding food safety.

Eligibility criteria:

In order to be eligible for supply of hives, the beekeeper had to be a member of the Federation of Beekeepers Organizations of Montenegro. However, in addition to this criterion, the criterion that a beekeeper may apply for assistance if he/she has more than 50 bee communities was introduced as the criterion for supply of equipment for extraction, filling, storage of honey and equipment for improvement of hygiene regarding food safety.

Payment:

Pending 2007, payment comprised participation in supply of hives, in the amount of EUR 15.00 per one (2001), i.e. EUR 10.00 in the following years. In 2005 and 2006, in addition to costs for hives, beekeepers costs as well as costs for supply of feeders were covered in the amount of EUR 1.5 per one. In 2007, no funds were earmarked on the basis of this measure. In 2008, this measure was introduced again, but total amount of the assistance was earmarked for participation up to

30% of total value of supplied equipment for extraction, filling, storage of honey, equipment for improvement of hygiene regarding food safety.

Payment basis and regional differentiation

Funds earmarked by the Plan of Use of Funds for Support to Agriculture and Fisheries Development (Agrobudget) of the Ministry of Agriculture, Forestry and Water Management represent the payment basis. There is no differentiation by regions.

Amounts spent since 2001:

Funds of Agrobudget in EUR

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount of funds	45,000	30,678	10,000	9,000	10,500	10,500	0	70,000

Purpose of payment:

Funds are earmarked as assistance for supply of hives, feeders, equipment for extraction, filling, storage of honey, equipment for improvement of hygiene regarding food safety.

Programme management:

Lists of beekeepers who bought hives and feeders were submitted by the beekeepers associations to the Ministry of Agriculture, Forestry and Water Management. Distribution of hives and feeders was monitored by the agricultural inspectorate. Beekeepers submitted invoices with the data and evidence on supplied equipment for extraction, filling, storage, equipment for improvement of hygiene regarding food safety to the Ministry through the Federation of Beekeepers organizations. Advisor for beekeeping performs the administrative control of submitted invoices and forwards them to the Department for monitoring of incentive measures, market and prices which carries out the further payment procedure.

Measure :

Improvement of quality of bee products and health condition of bee communities

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general measure description:

Reduction of bee community losses through an adequate protection from *Varroa destructor* and improvement of health safety of bee products.

The measure envisages eligibility for supply of anti-varroa bottom boards which enable efficient use of organic acids as well as eligibility for supply of organic medicinal products used in protection of bee communities from *Varroa destructor*.

Eligibility criteria:

The beekeeper beneficiary must be a member of the Federation of Beekeeper Organizations of Montenegro and use organic preparations except for organic acids (formic, oxalic acid and like) for treating bee communities against *Varroa destructor*.

Payment:

This measure was introduced in 2003. In the period from 2003 to 2007, payment comprised only participation of supply of anti-varroa bottom boards in the amount of EUR 5.00 per one; in 2007 and 2008, the payment comprised participation in supply of organic medicinal products for protection of bee communities against *Varroa destructor* in the amount of EUR 1.50 per a bee community, in addition to bottom boards.

Payment basis and regional differentiation :

Funds earmarked by the Plan of Use of Funds for Support to Agriculture and Fisheries Development (Agrobudget) of the Ministry of Agriculture, Forestry and Water Management represent the payment basis. There is no differentiation by regions.

Amounts spent since 2001:**Funds of Agrobudget in EUR**

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount of funds	-	-	17,500	16,000	15,750	15,750	57,500	57,500

Purpose of payment:

Funds are earmarked as assistance in supply of anti-varroa bottom boards and organic medicinal products used for protection of bee communities against *Varroa destructor*.

Programme management:

Lists of beekeepers who bought the anti-varroa bottom boards as well as the number of bee communities treated by organic preparations against *Varroa destructor* are submitted by the Municipal Associations of Beekeepers to the Ministry of Agriculture, Forestry and Water Management. Distribution is supervised by the agricultural inspectorate. The advisor for beekeeping in the Ministry performs the administrative control of submitted list and forwards them to the department for monitoring of incentive measures, market and prices which conducts the further payment procedure.

Measure:

Technical training of beekeepers

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general measure description:

Aim of the measure is to train a beekeeper for application of modern beekeeping principles and protection of bees against diseases as well as for implementation of measures of good manufacturing practice.

The measure encompasses participation in costs of organizing bee events and symposiums, printing of an informative-educational beekeepers journal, as well as supply of reference books. Also, costs of participation of Montenegrin beekeepers in international beekeeping events and seminars are covered.

Eligibility criteria:

A beekeeper beneficiary must be a member of the Federation of Beekeepers Organizations of Montenegro as well as the beekeeping organization, organizing the event or symposium.

Payment:

Payment comprises participation for costs upon a presented invoice, application and report of the Federation of Beekeepers Organizations or a municipal beekeepers organization.

Payment basis and regional differentiation

Funds earmarked by the Plan of Use of Funds for Support to Agriculture and Fisheries Development (Agrobudget) of the Ministry of Agriculture, Forestry and Water Management represent the payment basis. There is no differentiation by regions.

*Amounts spent since 2001:***Funds of Agro-budget in EUR**

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount of funds	10,224	10,226	14,000	14,000	14,250	14,250	15,000	28,000

Purpose of payment:

Funds are earmarked as assistance in organizing beekeeping events and symposiums, printing of an informative-educational beekeepers journal, supply of reference books, as well as for attendance of Montenegrin beekeepers in international beekeepers events and seminars.

Programme management:

Applications for financial assistance, invoices or reports are submitted by the Federation of Beekeepers Organizations, or Municipal Beekeepers Associations to the Ministry of Agriculture, Forestry and Water Management. Advisor for beekeeping in the Ministry performs administrative control of submitted documentation and forwards it to the Department for monitoring of incentive measures, market and prices which conducts the further payment procedure.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under a) cereals

Amount and regional differentiation:

Method of establishing tariffs and preferential tariff quotas and the annual pace of reduction are described in answer to question no. 8 (chapter II) under a) cereals.

MFN tariff on honey imports amounts to 30%+ EUR 0.25/kg.

Import of honey from Serbia, Macedonia, Bosnia and Herzegovina, Moldova, Kosovo and the Russian Federation is liberalized.

Import of honey from the EU is conducted in accordance with the Stabilisation and Association Agreement with gradual reduction in tariffs to 50% of the MFN tariff in the course of 5 years.

For import of honey from Croatia, the agreed preferential tariff rate is 25%.

For import of honey from Turkey and Albania and other countries, the MFN tariff is in effect.

Export of honey is conducted without quantity restrictions with a full, partly reduced customs tariff or fully tariff-free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement. The same preferential tariff rate is in effect for exports of honey to Croatia, as for imports from Croatia.

Purpose of funds:

Funds from collected duties are revenue of the State Budget.

Programme management:

Described in answer to question no. 8 (chapter II) under a) cereals.

Specialized crops:**p) wine and alcohol;***Measure:*

Assistance for setting up perennial plantations.

(Previous titles of measures from 2000-2008: Support to Setting up Vineyards, Preservation of Autochthonous Grapevine Varieties)

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)
- Law on Wine (Official Gazette of the Republic of Montenegro 36/07),

Objective and general measure description:

Improving the age and variety structure of vineyards and increase in surface of Montenegrin vineyards. Increase in raw material basis for production of wine with controlled geographic origin.

Development of database for preparation of the vineyard cadastre.

Setting up of vineyard plantations (one-time payments) per hectare, following setting up of plantations, is stimulated from 2008, on the basis of the Agrobudget programme - Support to Setting up of Perennial Plantations, adopted by the Government (Ministry of Agriculture, Forestry and Water Management). Until 2008, incentive per seedling (graft) following setting up of plantations was used, on the basis of the Agrobudget programme - Preservation of Autochthonous Grapevine Varieties.

Eligibility criteria:

Agricultural households setting up new vineyards in the surface of at least 2 ha are eligible for the incentive for setting up vineyard plantations.

Prerequisite for incentive eligibility is usage of labelled seed material and submission of a fulfilled form with cadastral data, serving for development of the database for preparation of the vineyard cadastre.

Payment basis and regional differentiation:

Grants are provided by the Plan for Use of Funds for Stimulating Agriculture Development for the current year, adopted by the Government. There is no differentiation by regions.

Amounts spent since 2001:

Funds spent

Type of incentive	unit	Basic payment per unit	2000	2001	2002	2003	2004	2005	2006	2007	2008
vineyard (new plantations)	Per one	0.60 -0.80	–	8,910	15,000	20,000	–	40,307	104,040	271,300	–
vineyard (new plantations)	ha	3 000	–	–	–	–	–	–	–	–	196,220
vineyard (new plantations)	ha	4 000	–	–	–	–	–	–	–	–	–

(source: MAFWM)

Main quantitative elements:

Quantitative indicators since 2000 for support to vineyard growing development

Type of incentive	unit	2001	2002	2003	2004	2005	2006	2007	2008
Vineyards (new plantations)	ha	4.12	4.16	7.28	0	9.21	33.28	88.36	51.57

Purpose of payment:

Preservation of distinctness of Montenegrin vineyards by setting up of new vineyards with certified planting material of autochthonous grapevine varieties.

Enlargement of selection of Montenegrin wines and substitution of imported grape with domestic production.

Establishment of the vineyard application register, i.e. development of the database for setting up of vineyard cadastre.

Programme management:

Filing of applications for incentives and administrative control of submitted applications is performed in the Ministry of Agriculture. Plant Production Extension Service establishes carrying out of planting in the field and it submits a report corroborated with photo documentation and cadastral data to the Ministry (fulfilled form of the Ministry).

The Ministry performs supervision, calculation and makes an order for payout of incentives to the Ministry of Finance.

Agricultural Inspectorate performs the inspection control.

There were 897 grape producers and 2,500 ha of vineyards entered in the vineyard application register by 2008. The Register contains data on vineyard owner, cadastral information on a vineyard and characteristics of a vineyard: number of vine-plants, age of vine-plants and varietal composition of a vineyard.

There are 84 grape and wine producers from private sector and JSC *13 JUL – Plantaže*, possessing 2,310 ha of vine growing area with annual volume of production of 20-22 million kg of grape and around 16 million l of wine, entered into the Central Register of Grape and Wine Producers (Law on Wine Official Gazette of the Republic of Montenegro 36/07).

Measure:

Tariffs and preferential tariffs quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishment of tariffs and preferential tariff quotas, and annual pace of reduction are described in answer to question no.8 (chapter II) under: a) cereals.

The MFN tariff on sparkling wines amounts 30%, on high-quality wines 30%+ EUR 0.20/kg while it amounts 30% on other liquor – fruit brandies and strong alcoholic beverages.

Import of wine and alcoholic beverages from Serbia, Macedonia, Bosnia and Herzegovina, Kosovo and the Russian Federation is liberalized.

Import preferential quotas for wine and alcoholic beverages are agreed upon with the EU, Moldova and Croatia:

EU:

Imports quota of 2,500 hl of wine (tariff headings 2204 10 and 2204 21) for 2009, and 3,500 hl of wine with customs rate 0%, for 2010 have been agreed.

Import of vermouth, fruit brandies, ethyl-alcohol and other strong alcoholic beverages is conducted in accordance with the Stabilisation and Association Agreement with gradual reduction in tariff to 50% of the MFN tariff, in the course of 5 years.

Moldova:

- wine (tariff heading 2204) 30 t with preferential tariff rate of 10%
- vermouth (tariff heading 2205) 20 t with preferential tariff rate of 15%
- fruit brandies (tariff heading 2206) 20 t with preferential tariff rate of 15%
- ethyl-alcohol (tariff heading 2207) 20 t with preferential tariff rate of 15%
- strong alcoholic beverages (tariff heading 2208) 20 t with preferential tariff rate of 10%

Croatia:

- wine (tariff heading 2204) 30 t with tariff rate of 10%
- strong alcoholic beverages (tariff heading 2208) 10 t with preferential tariff rate of 10%

Import of wine and alcoholic beverages from Albania, Turkey and other states (with which Montenegro does not have free trade agreements signed), as well as imports outside preferential quotas, are carried out by the MFN tariff.

More precise amounts of tariffs on wine and alcohol outside and within quotas are given in the Decree on Harmonization of Combined Nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Export of wine and alcoholic beverages outside quotas is conducted without quantity restrictions with full or reduced tariffs or fully tariff-free in accordance with free trade agreements and in accordance with the Stabilisation and Association Agreement.

Export quotas have been agreed upon with the EU, Croatia, Moldova and Turkey:

- Export tariff-free quota for wine for the EU amounts 16,000 hl
- export quotas for Moldova and Croatia are same as concerning imports.
- export quota for wine for Turkey amounts 2,500 hl with the MFN tariff reduced for 75%

Purpose of funds:

Funds from collected tariffs are revenues of the State Budget.

Programme management:

Described in answer to question no.8 (chapter II) under: a) cereals.

q) fruits and vegetables;

Measure:

Assistance for setting up of perennial plantations

Previous titles of measures from 2000-2008: Support to setting up of perennial plantations, Revitalization of fruit growing on the North of the Republic, Revitalization of fruit growing – control of *Plum pox virus* spreading, Raspberry growing development, Development of prerequisites for fruit production development

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general measure description:

Encouragement of setting up of commercial fruit plantations and nuclear stocks on the defined minimum surface, which will be highly profitable with application of modern agro-technical and pomotechnical measures.

From 2008, one-time incentives per hectare, which are paid out after setting up of new plantations, have been prescribed on the basis of the agro budget programme - Support to Setting up of Perennial Plantations, adopted by the Government (Ministry of Agriculture, Forestry and Water Management).

Amount of incentives vary depending on the fruit species, divided into three groups:

- I. group – pome and stone fruit species,
- II. group - berry fruit species,

III. group – nuts and subtropical (except for olive) fruit species.

Until 2008, the Agro budget programme – Revitalization of fruit growing, land clearing from old and *Plum pox virus*-infected trunks and their substitution with certified planting material of these varieties and fruit species resistant to this virus was carried out. In addition to developmental, this project had in its basis primarily the sanitary component. Incentive per a seedling was approved following receipt of the field report on the number of old and infected trunks cleared.

Eligibility criteria:

Agricultural households eligible for incentive for setting up fruit plantations are those setting up new orchards from the following:

- pome and stone fruit species on a minimum surface of 0.5ha,
- berry fruit species on a minimum surface of 0.2ha and
- nuts and subtropical (except for olive) fruit species on a minimum surface of 0.5ha.

Use of labelled seed material is the prerequisite for incentive eligibility.

Setting up of nuclear stocks with a surface of minimum 0.1ha to maximum 2ha per fruit species in the amount of 30% of the investment value is supported.

Payment basis and regional differentiation :**Basis for incentive for setting up of new fruit plantations**

Description/year	unit	Minimum surface for incentive	Basic payment per unit (EUR)2000-2007	Basic payment per unit (EUR)2008
orchards (new plantations)	Per one		1.0 -1.2	
Orchards group I (new plantations)	ha	0.5		2,000
Orchards group II (new plantations)	ha	0.2		3,000
Orchards group III (new plantations)	ha	0.5		2,500
Setting up of nuclear stocks	ha	0.1		Up to 7,000

The measure is implemented in the entire area of Montenegro and equal amount of assistance is paid out.

Amounts spent since 2001:

Grants are provided by the Plan of Use of Funds for Stimulation of Agriculture Development for the current year, adopted by the Government.

Amounts paid out since 2001 in EUR

Type of incentive	2001	2002	2003	2004	2005	2006	2007	2008
Orchards group I (new plantations)	17,460	44,766	40,000	–	53,000	40,110	128,806	1,000
Orchards group II (new plantations)	115,450	62,500	62,500	–	40,000	–	18,670	111,845
Orchards group III (new plantations)	–	–	–	–	–	13,864	–	1,530
Setting up of nuclear stocks	–	–	–	–	15,000	–	–	2,467
total	132,910	107,266	102,500		108,000	53,974	147,476	116,842

(source: MAFWM)

Main quantitative elements:**Quantitative indicators from 2000 for support to fruit growing development**

Type of incentive	unit	2001	2002	2003	2004	2005	2006	2007	2008
Orchards group I (new plantations)	ha	25.44	56.09	48.73	–	60.00	40.49	100.06	0.48
Orchards group II (new plantations)	ha	30.78	25	25	–	20	–	3.73	66.19
Orchards group III (new plantations)	ha	–	–	–	–	–	5.68	–	0.49
Setting up of nuclear stocks of raspberry and blueberry	ha	–	–	–	–	1	–	–	0.4

Purpose of payment:

Substitution of fruit import with domestic production, by creation of agricultural producers of continental and subtropical fruit.

Programme management:

Filing of application for incentive and administrative control of filed applications is performed with the Ministry of Agriculture. Assessment of the planting is made in the field by the Plant Production Extension Service and it submits the Report corroborated by photo documentation to the Ministry.

The MAFWM performs supervision, calculation and makes a payment order for an incentive to the Ministry of Finance.

Agricultural inspectorate performs inspection control.

Incentives for vegetables

Not in application.

Fruit and vegetable producers' organizations

There are no producers' organizations established in the fruit and vegetable growing sectors, farmers are organized in associations of producers – fruit growers, associations of producers – vegetable growers, as well as associations of greenhouse producers in accordance with the Law on Non-governmental Organizations, (Official Gazette of Montenegro 27/99, 71/99, 30/2002 and 11/2007), as well as cooperatives in accordance with the Law on Cooperatives (Official Gazette of the Federal Republic of Yugoslavia 41/96).

Associations are non-profit organizations organized by farmers, for the purpose of exercising individual or common interests or for the purpose of acting in and promoting of public interest.

The new Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09) in chapter V (Articles from 34 to 39) provides for establishing of producers' organizations and effects of these decisions are expected in the following period.

Representative markets for determination of production and import prices in this field, are processed through AMIS, which provides daily (in the season), weekly and monthly indicators concerning prices of fruit and vegetables from the area of Montenegro, Serbia, Croatia and the EU.

Incentives for processing of fresh fruit and vegetables are defined by the Agro budget, through the following measure:

Measure:

Assistance in investment for storage, packing and processing of plant products

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general measure description:

In order to meet high standards of the modern market concerning quality, quantity and food safety, it takes more investments, which can not be made without significant assistance from the budgetary funds. Investments in physical capital are necessary; these would enable a higher productivity of operation, as well as transfer and development of knowledge in management and marketing. Basic objectives of this programme are the following:

- increase in competitiveness of plant products processing through overall modernization of production and marketing conditions,
- increase in added value in production of plant products through an increase in efficiency of processing and marketing,
- introduction of new technologies, innovations and opening up of new market opportunities,

- meeting of the EU standards and targeted raising of quality and food safety,
- strengthening links with primary production.

Eligibility criteria:

All projects must be proven to fully adhere to the EU standards (prerequisite for every assistance). Potential assistance beneficiaries should propose a clear business plan, which proves economic feasibility of the project and which should contain elements of the technical specification of the project, specification in terms of meeting hygienic and environmental requirements, organization and use of domestic resources in plant production, as well as marketing opportunities in the domestic and exports market. Advantage is given to projects which directly influence development of the domestic primary plant production.

Payment :

Maximum share of budgetary funds amounts to 30% of the investment value, and maximum amount of annual assistance per one project may amount to EUR 70,000. Payment is carried out upon an invoice made with a report. Financial plan for this measure amounts EUR 670,000 for 2009.

Payment basis and regional differentiation:

Funds earmarked in the Plan of Use of Funds for Support to Agriculture and Fisheries Development (Agro budget) of the Ministry of Agriculture, Forestry and Water Management represent the payment basis. There is no differentiation by regions.

Amounts spent since 2000:

This measure is implemented since 2006, through Program »Assistance in Investments in Agriculture« through the component »Support to Processing of Fruit and Vegetables«, and from 2009, there is a special program – Assistance in Investments for Storage, Packing and Processing of Plant Products

Funds from the Agro budget in EUR

Year	2001	2002	2003	2004	2005	2006	2007	2008
Amount						180,000	200,000	350,000

Purpose of payment:

Meeting high standards of the modern market concerning food quality, quantity and food safety.

Programme management:

Ministry of Agriculture, Forestry and Water Management in cooperation with extension services, donors and commercial banks. The measure is implemented on the basis of the tender announced by the Ministry of Agriculture, Forestry and Water Management by the end of April 2009, or on the basis of implementation of the already initiated Government's programme "A JOB FOR YOU" (see: I Horizontally, question 3, part – credit subsidizing) or as a part of a donor project.

Assistance is provided on the basis of evidence on investment realization and field report of the authorized extension service.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishment of tariffs and preferential tariff quotas and the annual pace of reduction are described in answer to question no. 8 (chapter II) under: a) cereals.

Ad valorem MFN tariff on certain fruit species ranges from 0% (Brazilian nut, cashew nut) to 30% on sensitive products, and combined tariff from 30% + EUR 0.07/kg to 30% + EUR 0.20/ kg of fruit.

MFN tariffs on certain fresh vegetable species amount from 0% (seed potato) to 30%, on sensitive products, and combined tariff from 20% + 0,10 /kg to 30% + EUR 0.20€/ kg of vegetables.

Amount of the MFN tariffs and seasons for certain fruit species:

Tariff heading	product	MFN tariff
0805 20	Mandarines (clementine, monreal i satsumas, wilking, tangerine etc.)	
	From 01.10.-31.12.	30%+ EUR 0.20/kg
	from 01.01.-30.09.	20%
0806 10	Fresh grapes (table and other)	
	from 01. 07.-30.09.	30% + EUR 0.08/kg
	from 01.10.-30.06.	20%
0807 11	Watermelons	
	from 01. 07.-31.08	30%+ EUR 0.07/ kg
	from 1.09.-30.06.	20%
0809 30 90	Peaches	
	from 01.06.-31.08.	30% + EUR 0.17/kg
	from 01.09.-31.05.	20%
0810 50	kiwi	
	From 01.11.-31.03..	30% + EUR 0.17 / kg
	From 01.04. 01.11.	20%

Amount of MFN tariffs and seasons for certain vegetable species

Tariff heading	Product	MFN tariff
0701 90	Potato (for starch production and other)	
	For starch production	30% + EUR 0.08/ kg
	Baby potato from 01.01.-30.06.	30% + EUR 0.08/ kg
	other	30% + EUR 0.08/ kg
0702	tomato	
	from 01.04.-31.08.	30%+ EUR 0.20/ kg
	from 01.09.-31.03.	30%
0704 10	Cauliflower and broccoli	
	cauliflower	20%+ EUR 0.10/ kg
0707	Cucumbers and baby cucumbers	
	Cucumbers from 01.04.-30.06.	30%+ EUR 0.20/ kg
	Cucumbers from 01.07.-30.06.	20 %
	Baby cucumbers from 01.09.-31.10	30%+ EUR 0.20/ kg
	Baby cucumbers from 1.11.-31.08.	20 %

Import of fruit and vegetable is liberalized with Serbia, Bosnia and Herzegovina, Macedonia, Kosovo, Moldova and the Russian Federation.

Imports of fruit from the EU is carried out in accordance with the Stabilisation and Association Agreement, which defines the following three methods for reduction of tariff rates, as follows: (I) full liberalisation, (II) for less sensitive products, gradual reduction in tariff to 0% in the course of 5 years and (III) for sensitive products, gradual reduction to 50% of the MFN tariff in the course of 5 years.

Import preferential quotas for *fruit* have been agreed with Croatia for the following fruit species:

- 300 t of grape tariff-free
- 500 t of watermelons with tariff rate of 10%
- 300 t of peaches and nectarines with tariff rate of 10% and
- 50 t of kiwi tariff-free.

Except for 50 t of dried apricots which may be imported from Turkey tariff-free, imports of other fruit species from Turkey is conducted according to the MFN tariff.

Import of fruit from Albania is conducted according to the MFN tariff.

Imports preferential quotas for *vegetables* are agreed upon with Albania and Croatia, as follows:

For import from Albania:

- 100 t of onion (tariff heading 0703) tariff-free
- 100 t of carrot (tariff heading 0706) tariff-free

For import from Croatia:

- 600 t of potato (tariff heading 0701 90) with preferential tariff rate of 10%.

- 600 t of tomato (tariff heading 0702) with preferential tariff rate of 10%.
- 300 t of cucumbers (tariff heading 0707) with preferential tariff rate of 10%.

Import of fruit and vegetables outside tariff quotas is carried out without quantity restrictions, with full, partly reduced tariffs or fully tariff-free in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Precise amounts of tariffs for fruit and vegetables outside and within quotas are given in the Decree on harmonization of combined nomenclature for 2009 (Official Gazette of Montenegro 78/08)

For export of fruit and vegetables to Croatia and Albania, the same condition apply as for import, the only difference being that tariff-free quota has been agreed for exports of 100 t of leguminous vegetables instead of carrot.

Export of fruit and vegetables outside preferential quotas is carried out without quantity restrictions with full or reduced tariffs or fully tariff-free, in accordance with the free trade agreements and Association and Stabilisation Agreement.

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no. 8 (chapter II) under: a) cereals.

r) bananas;

There are no other measures of agricultural policy applied except for tariffs.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under a) cereals

Amount and regional differentiation

Method of establishing the tariff and preferential tariff quotas, the annual pace of reduction are described in answer to question no.8 (chapter II) under: a) cereals

MFN tariff on bananas amounts 15%.

Import and export preferential tariff quotas for bananas have not been agreed upon.

Tariff-free imports of bananas are allowed from the EU members and CEFTA members, except for Albania.

Import of bananas from Albania, Turkey and other states (with which Montenegro does not have free trade agreements signed) is carried out according to the MFN tariff.

Precise amounts of tariffs for bananas are given in the Decree on harmonization of the combined nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Export of bananas is carried out without quantity restrictions, with full tariffs or fully tariff-free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no.8 (chapter II) under: a) cereals.

s) floriculture;

There are no other measures of agricultural policy applied except for tariffs.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishment of tariffs and preferential tariff quotas and annual pace of reduction are described in answer to question no. 8 (chapter II) under: a) cereals.

MFN tariff on certain species of medicinal herbs (tariff heading 1211) amounts to 0%, and MFN tariff on cut flowers (tariff heading 0603) amounts to 15%.

Import and export preferential tariff quotas for floriculture have not been agreed upon.

Regarding the fact that the MFN tariff on certain *species of medicinal herbs* amounts to 0%, payment of tariffs is abolished for imports from all countries and there are no quantitative restrictions.

Imports of cut flowers from the CEFTA member countries and from the Russian Federation is carried out without customs restriction,

Import of cut flowers from the EU is carried out in accordance with the Stabilisation and Association Agreement with gradual reduction in price in the course of 5 years to 0%.

Import of cut flowers from Turkey and other countries is carried out according to the MFN tariff.

Precise amounts of tariffs for floriculture are given in the Decree on harmonization of combined nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Exports of certain species of medicinal herbs and cut flowers is carried out without quantity restrictions with full or reduced tariff or completely tariff-free, in accordance with the free trade agreements and in accordance with the Stabilization and Association Agreement

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no. 8 (chapter II) under: a) cereals.

t) olive oil;

Measure:

Assistance for setting up perennial plantations

(Previous titles of measures from 2000-2008: Olive growing development, Revitalization and reconstruction of olive growing, Forecasting of occurrence and protection of olive against Olive fly-*Bactrocera (Dacus) oleae*.)

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)
- Law on Olive Growing (Official Gazette of the Republic of Montenegro 55/03),

Objective and general measure description:

Objective of incentives for setting up plantations is increase in total surface of olive groves. In order to fully use the natural potential for olive growing, producers are encouraged to set up olive plantations with a high-quality planting material. Setting up of olive plantations (one-time payments) is encouraged per hectare since 2003 following setting up of plantations, on the basis of the agro budget programme – Support to setting up of perennial plantations, adopted by the Government (Ministry of Agriculture, Forestry and Water Management) and on the basis of provisions of the Law on Olive Growing (Official Gazette of the Republic of Montenegro 55/03).

Rejuvenation of old olive trees and management of plantations are encouraged, which represents a prerequisite for smooth performance of agro technical measures, increase and regularity of yields and production of olive oil of better quality properties.

Aerial protection of 650 ha of olive groves was financed through budgetary funds by 2006. Two to three treatments were carried out annually, depending on climate parameters and infective potential of Olive fly.

Reconstruction of the existing olive plantations and revitalization, i.e. pruning of old olive trees result in creation of conditions for carrying out a more efficient chemical protection of fruit from the ground (greater choice of chemical preparations, timeliness of treatments, environmental aspects of protection); therefore, since 2005, we participated in supply of an atomizer with funds from the agro budget.

In the future, from 2013, the agro budget incentive to olive growing should be the incentive for olive oil aimed at agricultural households, producing olives, and it is granted per litre of olive oil which has been sold and delivered to the market for the category virgin olive oil „extra virgin“.

Eligibility criteria:

Agricultural households setting up new olive groves on the surface of at least 0.2 ha (80 trees) are eligible for the incentive for setting up of olive groves. Funds spent for purchase of olive planting material used for setting up of an olive grove with the minimum surface of 0.2 ha and plantation density of 400 seedlings per ha (Law on Olive Growing, Official Gazette of the Republic of Montenegro 55/03) are fully refunded. Prerequisite for eligibility is the use of labelled planting material and filing of a fulfilled form with cadastral information, serving for development of a database for establishment of the olive cadastre.

Arranged olive grove and pruned and reconstructed crowns of at least 10 old olive trees and filing of a fulfilled form with cadastral data are a prerequisite for the payment for revitalization carried out.

Payment basis and regional differentiation:

Grants are provided by the Plan of use of funds for support to agriculture development for the current year, adopted by the Government. There is no differentiation by regions.

11 Agriculture and rural development

Basis for incentive for olive growing development

Type of incentive	Minimum quantity to which the incentive applies	Basic payment per unit (EUR)
Olive (new plantations)	80 trees	4.0-8.0/seedling
Aerial protection atomizers	650 ha	20,000/treatment
Revitalization of old olive trees	10 trees	Up to 50% of investment
Subsidy for a litre of "extra virgin" oil from 2013		Up to EUR 5 /tree

Amounts spent since 2001

Amounts paid out since 2002 (EUR) for stimulating olive growing development

Type of incentive	2001	2002	2003	2004	2005	2006	2007	2008
Olive (new plantations)	1,600	—	8,450	—	—	19,360	26,460	—
Aerial protection atomizers	45,000	65,000	—	45,000	45,000	33,850	—	—
Revitalization of old olive trees	—	—	—	—	7,150	11,000	15,400	23,154
Total:	46,600	65,000	8,450	45,000	52,150	64,210	92,760	136,559

(Source: MAFWM)

Main quantitative elements:

Quantitative indicators since 2000 for stimulation of olive growing development

Type of incentive	unit	2001	2002	2003	2004	2005	2006	2007	2008
Olives (new plantations)	ha	1.00	0	6.53	0	0	11.0	18.0	0
Aerial protection 650 ha atomizers	Number of treatments	2	3	0	2	2	2	—	—
Revitalization of old olive trees	number	—	—	—	—	13	20	77	123
	Number of trees	—	—	—	—	—	—	10,180	22,680

Purpose of payment:

Growing olives in line with modern agro-technical principles and maximum utilization of natural potential.

Establishment of the olive application register, i.e. development of a database for establishment of the olive cadastre.

Programme management:

Filing of applications for incentive and administrative control of filed applications are performed in the MAFWM. Planting and revitalization activities are established in the field by the Extension Service in Plant Production cooperation with the association of olive growers and submits a report corroborated by photo documentation and cadastral data (fulfilled form of the Ministry) to the Ministry.

MAFWM performs supervision, calculation and makes payment order for an incentive to the Ministry of Finance.

Agricultural inspectorate performs inspection control.

So far, 536 olive growers have been entered into the olive application register, with 50,560 olive trees in their possession. The register contains data on owner of the olive grove, cadastral data on the olive grove, as well as characteristics of the olive grove: composition in terms of varieties, number of trees older than 10 years, number of trees 10-50 years old, number of trees older than 50 years and number of revitalized trees with percentage of plantation revitalization performed.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishing tariffs and preferential tariff quotas, annual pace of reduction are described in answer to question no. 8 (chapter II) under: a) cereals.

MFN tariff on fresh or cooled olives 20 %.

MFN tariff on olive oil from first press in packages containing less than 25 l amounts to 30%+ EUR1/kg, and in packages containing more than 25 l 15%+ EUR 0.50/kg. The MFN tariff on other olive oils obtained exclusively from olives and their fractions, amounts to 10%.

Tariff-free import of *olives* is allowed from Serbia, Bosnia and Herzegovina, Kosovo, Macedonia, Moldova and the Russian Federation, and imports of olives from the EU is carried out with a gradual reduction in tariff to 0% in the course of 5 years (for 2009, the tariff amounts to 12%). Import of olives from Albania and Turkey and other states is still carried out by the MFN tariff, and the agreed tariff rate for import of olives from Croatia amounts to 10%.

Tariff-free import of olive oil is allowed from the Russian Federation and the CEFTA members, except for Albania, where the MFN tariff is applied on the occasion of import. Import of olive oil from Turkey is also carried out by the MFN tariff.

Imports of olive oil from the EU is carried out in accordance with the Stabilisation and Association Agreement, with gradual reduction in tariff to 50% of the MFN tariff in the course of 5 years, while tariff-free imports of *other olive oil* from the EU is envisaged.

Precise amounts of tariffs for olive oil are given in the Decree on harmonization of the combined nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Export of olives and olive oil is carried out without quantity restrictions or with full or reduced tariff or completely tariff-free, in accordance with the free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no. 8 (chapter II) under: a) cereals.

u) tobacco;

Measure:

Assistance for tobacco production

Legal basis:

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Objective and general measure description:

Available land resources in immediate vicinity of the Skadar Lake offer favourable conditions for tobacco growing which are still underutilised. Raising competitiveness through producer-oriented assistance enables maintenance of the production level, and thereby, better utilization of the production potential. Basic objectives are:

- raising competitiveness of tobacco production,
- usage of available soil resources, which are less suitable for growing other crops,
- improvement of quality of produced tobacco.

Eligibility criteria:

Beneficiaries are producers who produce and deliver tobacco to registered tobacco processors.

Payment basis and regional differentiation:

Assistance for increase in competitiveness of tobacco production is ensured:

in the form of payment per kg of produced and dried tobacco, depending on the quality class, from EUR 0.20 to EUR 0.55 per kg.

for upgrade of raw tobacco production technology

Premiums per kg of tobacco collected for:

Hercegovački type:

EUR 0.55 per A1; EUR 0.45 per A2; EUR 0.35 per A3; EUR 0.26 per A4 and EUR 0.51 per B1; EUR 0.41 per B2; EUR 0.31 per B3; EUR 0.21 per B4 class;

Burley type:

EUR 0.51 per 1st; EUR 0.41 per 2nd; EUR 0.31 per 3rd; EUR 0.21 per 4th class;

Maryland type:

EUR 0.55 per 1st; EUR 0.45 per 2nd; EUR 0.35 per 3rd; EUR 0.26 per 4th class.

Equal amount of assistance is paid out in the entire territory of Montenegro.

Amounts spent since 2001 (EUR)

Funds of Agro budget in EUR

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008
Amount of funds		25,052	46,016	90,000	150,000	224,000	290,000	270,000	200,000

Purpose of payment:

Raising competitiveness of domestic production and increase in domestic tobacco production.

Programme management:

Basis for calculation and payout of assistance are the lists of tobacco producers and quantities of tobacco delivered by quality, which are submitted to the Ministry of Agriculture by the registered tobacco producer as well as applications of the Association of Tobacco Producers. Control of lists is carried out by the Agricultural inspectorate.

Rights exercised on the basis of tobacco production in 2008 are paid out in the first half of 2009. Payment is carried out directly to tobacco producers, through bank accounts.

Measure:

Tariffs and preferential tariff quotas

Tariff basis:

Legal basis is same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishing tariffs and preferential tariff quotas, annual pace of reduction are described in answer to question no. 8 (chapter II) under: a) cereals

MFN tariff on tobacco amounts to 10 %.

Free import of tobacco is agreed upon with Bosnia and Herzegovina, Macedonia, UNMIK Kosovo and the Russian Federation.

Import of tobacco from the EU is carried out in accordance with the Stabilisation and Association Agreement with gradual reduction in tariffs to 0% in the course of 5 years.

Import of tobacco from Albania, Turkey and other states is carried out by the MFN tariff, and import from Croatia and Moldova has the preferential treatment, as follows:

- for imports of tobacco from Croatia, preferential quota of 25 t with tariff of 5% is envisaged.
- for imports of tobacco from Moldova in quota of 50 t, tariff-free import is envisaged.

Outside agreed quotas, import of tobacco from Croatia and Moldova is carried out by the MFN tariff.

Precise amounts of tariffs on tobacco outside and within quotas are given in the Decree on harmonization of the combined nomenclature for 2009 (Official Gazette of Montenegro 78/08)

Export of tobacco is carried out without quantity restrictions and with a full or reduced tariff or fully tariff-free, in accordance with free trade agreements and in accordance with the Stabilisation and Association Agreement, except for exports to Croatia and Moldova, where the same treatment is envisaged as for imports.

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no.8 (chapter II) under: a) cereals.

v) seeds;

There are no other measures of agricultural policy applied except for tariffs.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishment of tariffs and preferential tariff quotas and annual pace of reduction are described in answer to question no. 8 (chapter II) under: a) cereals.

MFN tariff on seed of cereals, oilseeds, sugar beet and forage (title 12 Tariffs) amounts to 0%.

Since the MFN amounts to 0%, import of all seeds from all countries is tariff-free and is not quantitatively restricted.

Export is carried out without quantity restrictions with full tariff or fully tariff-free, in accordance with free trade agreements and in accordance with the Stabilization and Association Agreement.

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no. 8 (chapter II) under: a) cereals.

w) hops.

There are no other measures of agricultural policy applied except for tariffs.

Measure:

Tariffs and preferential tariff quotas

Legal basis:

Legal basis is the same as in answer to question no. 8 (chapter II) under: a) cereals

Amount and regional differentiation:

Method of establishment of tariffs and preferential tariff quotas and annual pace of reduction are described in answer to question no. 8 (chapter II) under: a) cereals.

MFN tariff on hops amounts to 0%.

Since the MFN amounts to 0%, import of hops from all countries is tariff-free and is not quantitatively restricted.

Export is carried out without quantity restrictions with full tariff or fully tariff-free, in accordance with free trade agreements and in accordance with the Stabilisation and Association Agreement.

Purpose of funds:

Funds from collected tariffs are revenue of the State Budget.

Programme management:

Described in answer to question no. 8 (chapter II) under: a) cereals.

9. Where the individual measures are applied to more than one product category, they should be included within the description for each product category concerned. The descriptions should include at least the following information:

- name of the policy measure; whether currently applied or planned (planned date of likely introduction);

- legislative basis (name and reference number of the relevant legal act);

- objectives and general description of the scheme;

- eligibility criteria of policy measure;

- payments (and levies or other indirect support);

- basis for payments and for their regional differentiation (also the basis for determining the regions);

- amounts spent since 2000; total and per unit (ranges, if regionally differentiated);

- use to which the levies/taxes are put (paid into general budget or destined for finance of particular activities in which case please specify);

- administration of the scheme.
 - a) **Field crops, fibre, sugar:**
-cereals; dry forage; oilseeds; protein crops; potato starch; rice; flax and hemp; cotton; silkworms; sugar; potato;
 - b) **Products of animal origin:**
-milk and dairy products; beef and veal; sheep and goat meat; pork; eggs, poultry meat; honey.
 - c) **Specialized crops:**
-wine and alcohol, fruit and vegetables; bananas; floriculture; olive oil; tobacco; seeds; hops.

Answer is given in detail in answer to question no. 8 of this chapter.

10. In addition, the description for the fruit and vegetables sector should include an indication, if relevant, of the economic importance of producers' organisations (including number and percentage of production covered by such organisations). It would also be useful to provide details of any representative markets for determining production and import prices. An indication should also be included of any subsidies for the processing of fresh fruits and vegetables and of the legal relationship between processors and producers of fresh products.

Answer is given in detail in answer to question no. 8 (q) fruit and vegetables) of this chapter.

11. For each of the following sectors, a detailed description should be given of

- the existing regulatory requirements and the arrangements for their administration and enforcement including legislative basis (name and reference of relevant legal act); objectives and general description of the legislation; approximated or not to EU legislation (or degree of approximation); participation in other international standard schemes; description of administrative and enforcement arrangements (including resources, human, financial, and infrastructure, and if possible the administrative organigramme).

Description, objectives and approximation of common regulatory requirements for all sectors to the EU legislation

Law on Agriculture and Rural Development (Official Gazette of Montenegro, 56/09)

This Law governs: agriculture and rural areas development, objectives and measures of agricultural policy, incentives and eligibility criteria for their provision, incentive beneficiaries, supplementary activities in agriculture, organization in agriculture, establishment of the Paying Agency in agriculture, as well as other issues of importance for agriculture and rural development.

In addition to other measures, the Law envisages introduction of international standards and improvement of quality in production and processing of agricultural products, for the purpose of strengthening competitiveness of food producers.

Special quality of agricultural products and food in the sense of this Law refers to products and food, the quality of which is in line with special criteria and requirements concerning quality or requirements regarding properties, production procedure and processing of agricultural products and food, which is higher than the prescribed quality or requirements in the field of protection of human health, animal and plant health, animal welfare and environment, and is recognizable by the consumer as such.

Technical regulations for agricultural products and food are prescribed by the Ministry, in accordance with the Law.

The Law also regulates the issue of the so-called Traditional Products and Food Guaranteed, which represent products meeting conditions prescribed in terms of ingredients, manufacturing and processing procedure with tradition guaranteed. There are a significant number of original products of plant and animal origin in Montenegro, having all properties of the traditional products guaranteed.

Approximation:

- **32006R1085** - Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)
- **32005R0356** - Commission Regulation (EC) No 718/2007 Of 12 June 2007 Implementing Council Regulation (EC) No 1085/2006 Establishing An Instrument For Pre-Accession Assistance (IPA)
- **32002R1605** - Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities
- **32005R1290** - Council Regulation (EC) No 1290/2005 Of 21 June 2005 On The Financing Of The Common Agricultural Policy
- **32005R1698** - Council Regulation (EC) No 1698/2005 Of 20 September 2005 On Support For Rural Development By The European Agricultural Fund For Rural Development (EAFRD)
- **32004R0026** - Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

Law on Food Safety (Official Gazette of Montenegro, 14/07)

This Law governs the basis and principles for ensuring a high level of protection of human life and health, protection of consumers' interests and requirements in the field of production and processing of safe food and feed.

The Law is based on the principle of reliable, scientific and efficient implementation of procedures in selection and undertaking appropriate measures in the field food and feed safety.

This Law further defines food and feed safety requirements, requirements in terms of labelling, marking, material and packaging coming in touch with food, obligations of food operators at all phases of production, processing, preparation, treatment, wrapping, re-wrapping, packing, storage and distribution; food traceability; introduction of the internal control systems and documented procedures on all activities undertaken during the production process (HACCP, Good Manufacturing Practice, Good Farming Practice, Good Hygiene Practice) which define responsibility of a food operator; introduction of risk analysis – risk assessment, risk management and exchange of information on risk.

In the Law on Food Safety, in Chapter – Labelling and marking, the following is envisaged:

- Food and feed in trade must be labelled and marked. Data from the label and mark must correspond to data given in the producer's specification and requirements laid down by this Law and regulations adopted on the basis of this Law.
- Label or mark must contain data which enable traceability of food and feed, raw materials, substances incorporated in food, animals used for production of food and end-products in all phases of production and trade.
- Label must not contain data attributing medicinal characteristics to food and feed.
- Label, i.e. data entered in a label for food or feed placed on the market, must be written in a language which is in official use in Montenegro.

Approximation:

- The Law is to a high extent approximated to the Regulation (Celex No. 32002R0178) defining principles, requirements and procedures in the field of food safety and containing general provisions from a part the EU legislation (Celex No. 32005R0183, 32004R0852, 32004R0853, 32004R0854, 32004R0882, 31998L0083).

Law on Technical Requirements for Products and Assessment of Harmonization of the Product with Requirements Prescribed (Official Gazette of the Republic of Montenegro14/08)

The Law lays down method of prescribing technical requirements for products, procedures of assessment of harmonization of products with requirements prescribed, adoption of technical regulations, register of technical regulations, adoption of technical regulations, performing supervision over meeting requirements from technical regulations, validity of the documents on harmonization and the standardization marks issued abroad.

Pursuant to this law, technical regulations adopted and taken over on the basis of the Law on Standardization (Official Gazette of the Federal Republic of Yugoslavia 30/96, 59/98, 70/2001 and 8/2003) and the Law on Technical Requirements for Products and Assessment of Harmonization of Products with the Requirements Prescribed (Official Gazette of Serbia and Montenegro, 44/05) are applied.

Harmonization:

- The Law is harmonized with the basic provisions of the Agreement on Technical Barriers to Trade of the World Trade Organization,
- Partly harmonized with the Directive 98/34/EC

Rulebook on Hygienic Requirements for Food of Animal or Plant Origin (Official Gazette of Montenegro14/09)

This Rulebook lays down general hygienic requirements which food of animal and plant origin should meet, including the drinking milk and dairy products.

Harmonization: transposed Regulation 852/2004.

Rulebook on Microbiological Safety of Foodstuffs in Trade (Official Gazette of the Federal Republic of Yugoslavia 26/93)

This Rulebook lays down the following requirements in terms of microbiological safety: General requirements in terms of microbiological properties, as well as Special requirements in terms of microbiological properties for specific groups of foodstuffs, such as 1. Meat and meat products, 2. Milk and dairy products, 3. Spices, protein products and additives and 4. Other foodstuffs (ready cooked meals, eggs, pastry, mill products, confectionery, refreshing beverages etc.)

Harmonization: not harmonized

Rulebook on Methods of Performing Microbiological Analyses and Super Analyses of Foodstuffs (Official Gazette of the Socialist Federal Republic of Yugoslavia 23/80)

The Rulebook lays down methods of microbiological analysis and super analyses of foodstuffs for the purpose of testing their health safety.

The Rulebook consists of two parts. The first part contains: Method of preparation of samples of foodstuffs for microbiological testing and methods for establishment, isolation and identification of microorganisms in meat and meat products, milk and dairy products and other foodstuffs. The second part of the Rulebook enumerates mediums and reagents used for analyses.

Harmonization: not harmonized

Rulebook on Quality and Requirements on Use of Additives in Foodstuffs and other Requirements for Additives and their Mixtures (Official Gazette of Serbia and Montenegro 56/03)

This Rulebook lays down requirements in terms of quality and other requirements which additives and their mixtures for food products must meet in production and trade, it contains the positive list of additives, indication system (E numbers), categorization of additives, indication in food products, conditions for use of additives, maximum allowed quantities etc.

Harmonization:

- Class names and International numbering system for food additives, Alinorm 89/40, 279
- Commission Regulation 50/2000. OJ L 6, 2000, 15
- Commission Directive 2000/51/EC, OJ L 198, 2000, 41
- Commission Directive 2000/63/EC, OJ L 277, 2000, 1
- Commission Directive 2001/30/EC, OJ L 146, 2001, 1
- Commission Directive 2001/50/EC, OJ L 190, 2001, 14
- Commission Directive 2001/52/EC, OJ L 190, 2001, 18
- Commission Directive 2002/82/EC, OJ L 292, 2002, 1
- Commission Directive 95/31/EC, OJ L 178, 1995, 1
- Commission Directive 95/45/EC, OJ L 226, 1995, 1
- Commission Directive 96/77/EC, OJ L 339, 1996, 1
- Commission Directive 98/66/EC, OJ L 257, 1998, 35
- Commission Directive 98/86/EC, OJ L 334, 1998, 1

- Commission Directive 99/75/EC, OJ L 206, 1999, 19
- Council Directive 81/71/EEC, OJ L 257, 1981, 1
- Council Directive 89/107/EEC, OJ L 40, 1989, 1
- European Parliament and Council Directive 2000/13/EC, OJ L 109, 2000, 29
- European Parliament and Council Directive 2001/5/EC, OJ L 55, 2001, 59
- European Parliament and Council Directive 94/34/EC, OJ L 237, 1994, 1
- European Parliament and Council Directive 94/35/EC, OJ L 237, 1994, 3
- European Parliament and Council Directive 94/36/EC, OJ L 237, 1994, 13
- European Parliament and Council Directive 95/2/EC, OJ L 61, 1995, 1
- European Parliament and Council Directive 96/83/EC, OJ L 48, 1996, 16
- European Parliament and Council Directive 96/85/EC, OJ L 86, 1996, 4
- European Parliament and Council Directive 95/72/EC, OJ L 295, 1998, 18

- General standards for Food Additives, CODEX STAN 192 ' 1995, rev. 3, 2001,1

Corrigendum to the Rulebook on Quality and Requirements for Use of Additives in Foodstuffs and other Requirements for Additives and their Mixtures (Official Gazette of Serbia and Montenegro 05/04)

Corrigenda performed in the document are the following: deletion of two articles from the former Rulebook, corrections of two articles of the Rulebook and amendments to the Positive List of Additives.

- agricultural marketing requirements (grading, mandatory/voluntary standards), labelling requirements in each of the following sectors:

a) dairy products

Description, objectives and harmonization of regulatory requirements for the following sector with the EU:

Milk and dairy products

Rulebook on Quality and Other Requirements for Milk, Dairy Products, Composite Dairy Products and Starter Cultures (Official Gazette of the Federal Republic of Yugoslavia 26/02)

This Rulebook lays down quality and other requirements for milk, dairy products, composite dairy products and starter cultures which they must meet both in terms of production and trade.

The Rulebook defines the following products: milk (raw), pasteurized and composite pasteurized milk, sterilized and composite sterilized milk, milk and composite milk beverages, fermented dairy products and composite fermented dairy products, condensed milk and composite condensed milk, powder milk and composite powder milk, cream, butter and whey butter, low-fat butter and composite low-fat butter, butter milk and powder butter milk, rendered butter, anhydrous milk fat, *kajmak* or *skorup*, cheese and composite cheese, milk pudding and composite milk pudding, milk dessert and composite milk dessert, milk spread and composite milk spread, whey and whey products, casein, caseinates and coprecipitates, ice-cream mixture, ice-cream, ice-cream desserts, functional ice-cream and functional ice-cream desserts.

Rulebook revised in 2004.

Harmonization:

- Set of standards Codex Alimentarius - Milk and Milk products (Codex Stan 243-2003; Codex Stan 281-1971; Codex Stan 207-1999; Codex Stan 288-1976; Codex Stan 279-1971; Codex Stan 280-1973; Codex Stan 283-1978; Codex Stan 285-1978; Codex Stan 289-1995; Codex Stan 290-1995)

Rulebook on Special Hygienic Requirements for Food of Animal Origin (Official Gazette of Montenegro 14/09)

This Rulebook lays down special hygienic requirements which food of animal origin should meet.

Special requirements for milk and dairy products are regulated in detail in the following chapters: Health requirements for raw milk production, Hygiene on holdings for milk production and requirements for premises and equipment, Hygiene during milking, collecting and transport, Hygiene of staff, Raw milk criteria, Raw cow milk criteria, Requirements for dairy products, Requirements for heat treatment, Requirements for wrapping and packing, Requirements for labeling and Requirements for identification mark

Harmonization: Regulation 853/2004

Rulebook on Maximum Allowed Concentrations of Residues of Pharmacologically Active Veterinary Medicinal Products in Foodstuffs of Animal Origin (Official Gazette of Montenegro 51/07)

This Rulebook lays down maximum allowed concentrations of residues of pharmacologically active substances of veterinary medicinal products in excretions and body liquids and tissues of slaughtered animals, meat and foodstuffs of animal origin, including milk and dairy products.

The Rulebook contains the following 4 elaborate tables:

- **Table 1:** List of maximum allowed concentrations of residues of pharmacologically active substances of veterinary medicinal products
- **Table 2:** List of pharmacologically active substances in veterinary medicinal products which foodstuffs of animal origin must not contain
- **Table 3:** List of hormones and substances with hormonal effect
- **Table 4:** Minimum threshold for determining the presence of residues

Harmonization: Regulation 2377/90

Rulebook on Method of Performing Veterinary-Sanitary Check and Control of Animals prior to Slaughtering and of Products of Animal Origin (Official Gazette of the Socialist Federal Republic of Yugoslavia 68/89)

The Rulebook prescribes the method of performing the veterinary-sanitary check and control of animals prior to slaughtering and of products of animal origin, which are aimed at public consumption, establishments and equipment for slaughtering animals, establishments for processing, treating and storage.

In part VII, titled "Check of milk and dairy products", the method of performing veterinary-sanitary check of milk, dairy products, establishments for production, processing and storage of milk and dairy products is described in detail

Harmonization: not harmonized

Rulebook on Monitoring of Residues in Animals, Foodstuffs of Animal Origin and Feed (Official Gazette of Montenegro 46/06)

This Rulebook lays down measures of systematic control of pharmacologically active substances or their metabolites, as well as residues of other substances in animals, foodstuffs of animal origin and feed.

The Rulebook presents the following: monitoring programme, obligations of legal and natural persons involved in the system of production of animals and foodstuffs of animal origin,

Annexes of this Rulebook list in tables the pharmacologically active substances with anabolic effects and unauthorized substances, veterinary medicinal products and environmental contaminants as well as groups of substances which should be determined in animal species and foodstuffs of animal origin; range and frequency of sampling for every category envisaged by the Rulebook is presented, with a special emphasis on milk.

Harmonization:

- Council Directive 96/23/EC – On measures to monitoring certain substances and residues thereof in live animals and animal products
- Commission Decision 2002/657/CE – method performance criteria, introduction of Minimum Required performance Limits
- Commission Decision 97/747/CE – guidelines for the level and frequency of sampling

Rulebook on Methods of Organic Livestock Production (Official Gazette of the Republic of Montenegro 38/05)

It is derived from the Law on Organic Agriculture.

It defines the method of production, processing, packing, storage and transport of milk and dairy products, produced by principles of organic production

Harmonization: Council Regulation (EC) no. 834/2007

Decree on Criteria and Method of Setting the Collecting Price of Raw Milk (Official Gazette of the Republic of Montenegro 66/02)

The Decree defines that price of raw milk of average composition of is established by an agreement of milk producers and processors, that collecting price of raw milk is established on the basis of milk fat contents, contents of protein, total count of somatic cells and total count of bacteria, that registered milk producers are obliged to control quality of milk of their milk suppliers at least twice a month, a formula for calculation of collecting price of raw milk has been established as well as specific classes for classifying milk on the basis of total count of bacteria and somatic cells.

Harmonization:

- The Decree is not harmonized with the EU legislation, but activities are planned for the purpose of promotion of the system of raw milk quality testing, by introduction of new parameters and imposition of stricter minimum criteria for classifying milk into quality classes, which would additionally approximate this system to the strict EU standards.

Instruction on Sampling Method for Analyses and Super Analyses of Foodstuffs and General Use Objects (Official Gazette of the Socialist Federal Republic of Yugoslavia 60/73)

The instruction defines who is in charge of taking samples, the method of taking samples, as well as the number and quantity of samples for every group of foodstuffs.

Two lists are attached as annexes to the instruction. List I consists of sub-list A. List of minimum quantity of samples of foodstuffs and sub-list B. Minimum quantity of Samples of General Use Objects. List II consists of List: Kit and wrapping for taking samples of foodstuffs and general use objects.

Harmonization: not harmonized

Description of management and implementation organizations (human, financial and infrastructural resources and management organigramme)

Institutions participating indirectly or directly in the process of dairy sector management, adoption and implementation of legislation referring to the dairy sector, control of production and processing procedures, as well as control of milk as raw material and dairy products are the following:

- Ministry of Agriculture, Forestry and Water Management
- Veterinary Administration
- Ministry of Economy
- Institute of Public Health
- Center for Eco-Toxicological Researches
- Veterinary Diagnostic Laboratory
- Biotechnical Faculty

Ministry of Agriculture governs agriculture and rural development, establishes objectives and measures of the agricultural policy, agricultural incentives and eligibility criteria, incentive beneficiaries, supplementary activities in agriculture, organization in agriculture, adopts regulations in the field of food safety; and thereby, milk and dairy products; cooperates with international organizations and competent bodies of other states in the field of food safety and is in charge of other issues of relevance for agriculture and rural development.

Veterinary Administration is the body in charge of safety of food of animal origin and it performs supervision over implementation of regulations in the field of milk and dairy products production. A department of the Veterinary inspectorate is in charge of carrying out of official controls.

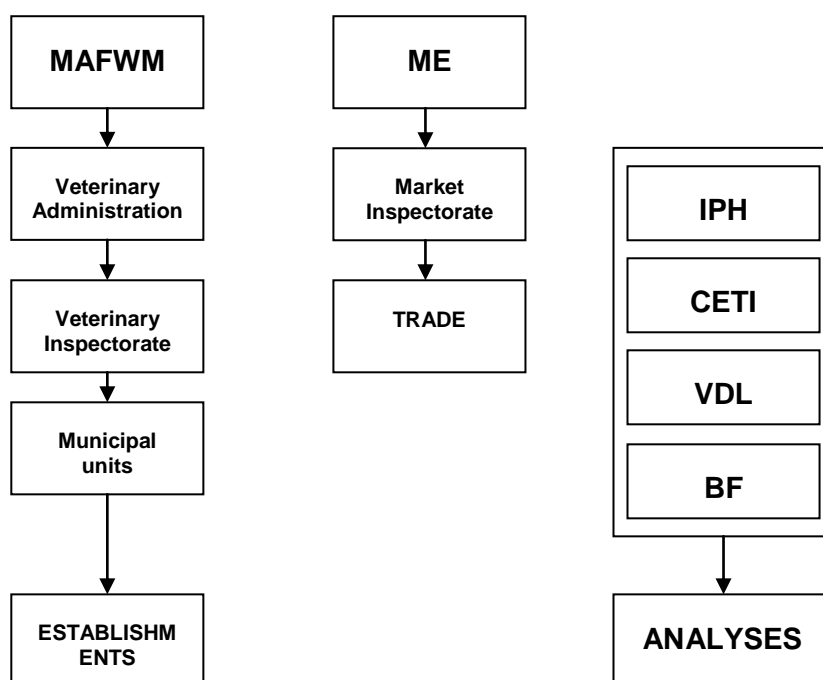
Ministry of Economy performs supervision over activities of assessment of food quality within activities of the Market Inspectorate, which performs quality control of milk and dairy products already delivered onto the market (labels, packages, shelf life)

Institute of Public Health of Montenegro – authorized to perform checks of overall health safety of milk and dairy products including presence of residues (antibiotics, hormones, heavy metals, pesticides, mycotoxines)

Centre for Eco-Toxicological Researches of Montenegro (CETI) – authorized to perform control of milk and dairy products in production, trade, import-export upon request of an importer or exporter, as well as for issuing certificates for novel products aimed at market placement, export and toxicological examinations upon request of competent bodies: pesticides PCBs, PAHs, dioxins and furans, vitamins, mycotoxines, antibiotics, hormones, radioactivity.

Veterinary Diagnostic Laboratory – performs analyses of microbiological safety of milk and dairy products.

Biotechnical Faculty-Dairy Laboratory – performs analyses of raw milk in order to establish purchase price of milk from dairy milk suppliers.



MAFWM- Ministry of Agriculture, Forestry and Water Management

ME- Ministry for Economic Development

IPH- Institute of Public Health

CETI- Center for Eco-Toxicological Researches

VDL – Veterinary Diagnostic Laboratory

BF-Biotechnical Faculty

Financing of the abovementioned institutions is fully or partially carried out by funds from the Budget. Laboratories provide a part of the funds by rendering services at the market and are also partly financed from the Budget.

Requirements for marketing of agricultural products (grading, compulsory/voluntary standards)

Classification of milk and dairy products by types and within types of milk and dairy products is performed according to the Rulebook on Quality and other Requirements for Milk, Dairy Products, Composite Dairy Products and Starter Cultures (Official Gazette of the Federal Republic of Yugoslavia 26/02)

Grading of raw milk by quality is regulated by the Decree on Criteria and Method of Setting of Raw Milk Collecting Price (Official Gazette of the Republic of Montenegro 66/02). Raw milk can be

classified in the following 4 classes on the basis of somatic cells count and total bacteria count: Extra, class I, class II and class III.

Pursuant to the Law on Food Safety, food and feed operators, performing production of food and feed are obliged to set up and implement the Hazard Analysis and Critical Control Points system (HACCP) and the traceability system from 1 January 2010.

Application of other standards is voluntary, and the following standards are recommended in production, processing and control of milk and dairy products:

(GAP) Good Agricultural Practice – Method of operation of a primary production producer

(GHP) Good Hygienic Practice – Harmonization with general and special principles of hygienic norms

(GMP) Good Manufacturing Practice – Harmonization with norms of business operation, industrial standards, regulations and laws regarding production, processing, handling, labelling, sale of food

(GLP) Good Laboratory Practice – Harmonization of procedures and methods of analyses of foodstuffs with the standard EU procedures in order to eliminate errors in operation of a laboratory and obtain reliable and accurate results

Dairy Laboratory of the Biotechnical Faculty initiated the accreditation process by ISO 17025 standards with the Yugoslav Accreditation Body (JUAT) in 2005. In June 2006, the Laboratory was supposed to undergo its last audit by JUAT, and receive accreditation after it. However, following Montenegrin gaining of independence, cooperation was completely halted, by the unilateral decision of JUAT, thereby halting the accreditation procedure.

Immediately after establishment of the Accreditation Body of Montenegro, the Laboratory contacted their representatives and in November 2008, it submitted the official application for accreditation of 4 methods. Laboratory expects a visit from the Audit Commission by the end of 2009.

Requests in terms of labelling

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in the part "Description, objectives and harmonization of common regulatory requirements for all sectors with the EU legislation"

Method of labelling and marking foodstuffs is defined in detail by the following Rulebooks:

Rulebook on Labelling and Marking of Packed Foodstuffs (Official Gazette of Serbia and Montenegro 4/04)

This Rulebook lays down labelling and marking of packed foodstuffs in trade, which are aimed at consumers or public eating establishments, without further processing. Provisions of this Rulebook do not apply to foodstuffs which are packed in the presence of a consumer and foodstuffs labelled by the regulation on wine

The Rulebook contains the following sections: General provisions on labelling and marking, Method of labelling, Contents of a label, Marking of nutritive value and Transitional and Final Provisions

Harmonization:

- Directive 2000/13/EC of European Parliament and of the Council on approximation of laws of Member States related to labelling, presentation and advertising of foodstuffs, OJ L 109, 2000.
- Council Directive on nutrition labelling for foodstuffs 90/466/EEC, OJ 1991/2, 1991.
- Council Directive on indications or marks identifying the lot to which a foodstuffs belongs, 89/396, 91/238/EEC and 92/11/EEC, OJ L 186, 1989; OJ I 107, 1991 and OJ L 65, 1992.

Rulebook on Amendments of the Rulebook on Labelling and Marking Packed Foodstuffs (Official Gazette of Serbia and Montenegro, 4/04)

The Rulebook amends certain articles of the previous rulebook.

b) beef and veal, sheepmeat and goatmeat;

Description, objectives and harmonization of the regulatory requirements for the following sector with the EU legislation:

Beef and veal, sheep meat and goat meat

Veterinary Law (Official Gazette of the Republic of Montenegro 11/04 and 27/07)

This Law lays down the veterinary field: trade on the internal market (in live animals), imports, exports and transit, animal diseases, residues of veterinary medicinal products and other harmful residues, by-products of animal origin as well as organization of the veterinary service and it contains the basis for adoption of secondary legislation from the veterinary field.

Harmonization:

The Law is not fully harmonized with the EU legislation, the National Programme for Integration of Montenegro into the EU (NPI) for the period 2008-2012; development of the new Veterinary Law is planned in order to achieve full harmonization with the *Acquis* in this field.

Law on Animal Identification and Registration (Official Gazette of the Republic of Montenegro 48/07)

This Law lays down the field of animal identification and registration and it contains the basis for adoption of secondary legislation in this field.

The Law on Animal Identification and Registration is to a large extent harmonized with the EU legislation and adjusted to the local conditions of animal farming. The Law creates the basis for adoption of a series of secondary legislation acts, whereby the appropriate level of harmonization of regulations in the field of animal identification and registration and marking of beef will be achieved. Aiming at full transposition, amendments of the Law on Animal Identification and Registration are envisaged.

Harmonization:

- Council Directive 92/102/EEC of 27 November 1992 on identification and registration of animals, which sets the minimum requirements for identification and registration of animals;
- Council Directive 96/93/EC of 17 December 1996 on certification of animals and animal products;
- Regulation 1760/2000/EC of the European Parliament and the Council of 17 July 2000 establishing the compulsory system for identification and registration of bovine animals and labelling of beef repealing Council Regulation 892/97/EC;
- Commission Regulation EC 911/2004 laying down detailed rules of application of ear tags, passports and holding registers.
- Commission Regulation EC 1082/2003 laying down detailed rules as regards minimum level of controls to be carried out in the framework of the system for identification and registration of bovine animals;
- Council Regulation EC 21/2004 of 17 December 2003 laying down the system for identification and registration of sheep and goats, amending the Regulation EC 1782/2003 and Directives 92/102/EEC and 64/432/EEC;
- Commission Decision 2001/672/EC of 20 August 2001, laying down special rules applicable to movements of bovine animals when put out to summer grazing in mountain areas.

Law on Animal Welfare Protection (Official Gazette of Montenegro 14/08)

The Law governs the rights, obligations and responsibilities of natural and legal persons in animal welfare protection as regards protection of animal from torture, during keeping and breeding, killing and slaughtering, performing surgeries on animals, transport and carrying out of experiments, rules of handling animals, as well as other issues of relevance for animal welfare protection. The Law

gives general provisions for transposition of a series of the EU pieces of legislation into secondary legislation, whereby this field will be fully harmonized with the EU legislation.

Harmonization:

for animals farmed for the purpose of production, with the following:

- ETS 087 - Convention for the Protection of Animals Bred or Kept for Farming,
- Directive 98/58/EEC Council concerning protection of animals kept for farming purposes,
- Commission Decision 2000/50/EC concerning minimum requirements for the collection of information during the inspections of production sites on which certain animals are kept for farming purposes,
- Directive 91/629/EEC laying down minimum standards for protection of calves,
- Directive 91/630/EEC laying down minimum standards for the protection of pigs,
- Directive 1999/74/EC laying down minimum standards for the protection of laying hens,
- Commission Directive 2002/4/EC on the registration of establishments keeping laying hens
- ETS102 - European Convention for the Protection of Animals for Slaughter,
- Directive 93/119/EC on the protection of animals at the time of slaughter or killing,
ETS 065 - Protection of Animals during international transport,
- Revised European Convention for the Protection of Animals during International Transport
CETS 193,
- Directive 91/628/EEC on the protection of animals during transport,
- Regulation (EC) 411/98 on additional animal protection standards applicable to road vehicles used for the carriage of livestock on journeys exceeding eight hours,
- Council Regulation (EC) 1/2005 on the protection of animals during transport and related operations, Directive 1999/22/EC relating to the keeping of wild animals in zoos,

animals used for carrying out experiments:

- Convention for the Protection of Vertebrate Animals used for Experimental and other Scientific Purposes ETS 123 and Directive 86/609/EEC,
- pets with:
- ETS 125 Convention for the Protection of Pet Animals.

Law on Livestock Farming (in adoption procedure)

Rulebook on Quality of Meat of Livestock for Slaughter (Official Gazette of the Socialist Federal Republic of Montenegro 34/74, 1/81 and 2/85)

This Rulebook lays down minimum conditions which meat of livestock for slaughter must meet, as well as requirements for quality assurance in terms of storage, packing and transporting. Requirements laid down by this Rulebook must be met in production and trade of livestock for slaughter. Livestock for slaughter comprises: cattle, pigs, sheep, goats and hoofed animals. In terms of this Rulebook, meat is considered the skeletal muscle tissue obtained by slaughter of livestock with ingrown fat and connective tissue, bones and cartilage, blood and lymph vessels and nerves. According to the specie of livestock for slaughter, meat is placed on the market as the meat of bovine animals, meat of swine, sheep meat and goat meat. Bovine meat is placed on the market as young veal, veal and beef, in accordance with this Rulebook. Sheep meat is placed on the market as young lamb, lamb and sheep meat, in accordance with this Rulebook. Goat meat is placed on the market as kid and goat meat.

Harmonization: not harmonized.

Description of management and implementation organization (human, financial and infrastructural resources and management organigramme)

Ministry of Agriculture adopts regulations in the field of safety of food of animal origin (meat, eggs, honey) and lays down requirements for quality of agricultural products.

Veterinary Administration is the body in charge of safety of food of animal origin, composite food and feed in production, international trade, wholesale trade, retail trade in meat, fish and aquaculture products.

Inspection supervision over implementation of regulations in the field of food safety (meat, honey, eggs) is carried out by veterinary inspectors.

Checks at the slaughter line (ante mortem and post mortem) are carried out by authorized veterinarians employed in private veterinary surgeries, who are issued with authorizations by the Director of the Veterinary Administration. Authorized veterinarians are not entitled to undertake administrative and penal measures; these measures are undertaken by veterinary inspectors.

Veterinary Administration – Human resources

Human Resources of the Veterinary Administration are defined by the Rulebook on Internal Organization and Systematization of the Veterinary Administration (adopted in 2008). In accordance with systematization, 50 jobs for civil servants and public employees have been envisaged. All envisaged jobs are not fulfilled, there are totally 42 civil servants and public employees currently employed, out of which 23 veterinary inspectors, with the head - Chief Veterinary Inspector.

Veterinary Administration – infrastructural resources

Veterinary Administration has material resources meeting needs of employees in the seat of the Veterinary Administration (Podgorica), as follows: it is equipped with all the necessary IT equipment including the 24h internet access; IT system for identification and registration of cattle connected to the laboratory and border crossings to Serbia (imports of live cattle), direct phone and fax lines, as well as company mobile phones, vehicles and necessary office equipment. The space where the Veterinary Administration is currently located is limited, therefore, it is necessary to ensure an adequate space for the purpose of a more efficient operation of the Administration.

Offices of the Veterinary Inspectorate located outside the seat of Veterinary Administration (in a number of municipalities of Montenegro) are equipped with: direct phone and fax lines and have permanent access to internet but the IT equipment is outdated, space and office equipment do not meet the needs of staff, part of the equipment necessary for carrying out of inspection controls is lacking. All veterinary inspectors have company mobile phones and vehicles (a number of vehicles are old).

Infrastructure and other requirements for work of the Veterinary Administration are not met at the border inspection posts. Existing offices are unsuitable in terms of space and office equipment (except for the 3 newly-constructed border crossings), there are no direct telephone or fax lines in some, and equipment for carrying out of inspection control is partly lacking. All border inspectors have company mobile phones, internet, vehicles and equipment necessary for sampling in part.

A part of the existing equipment (computers, vehicles and professional equipment for veterinary inspectors) is supplied within the projects supported by the EU and other donors in the last 10 years.

Supply of the lacking equipment and upgrade of the existing border crossings are envisaged. Also, reconstruction of the existing or construction of the new border inspection post Port of Bar in accordance with the EU requirements, through the MIDAS project (World Bank) is envisaged.

Veterinary Administration – financial resources

Salaries and other financial resources in relation with implementation of the regular activities of the Veterinary Administration are established in the Budget of Montenegro and earmarked to the Veterinary Administration as a separate budgetary unit. Financial resources are planned through a multiannual programme budget and in coordination with the Ministry of Finance on annual basis.

Requirements for placement of agricultural products (ranking, voluntary/compulsory standards), requirements in terms of labelling:

Requirements for marketing of: beef and veal, sheep and goat meat, pork and poultry, eggs and honey:

- Safety requirements:
 - Animal health
 - General hygiene requirements

- Special hygiene requirements
- Microbiological, physical, chemical, biological contaminants
- System based on the HACCP principles for all establishments where meat production and processing is carried out;
- Implementation of the good hygienic practice and good farming practice in production and trade of eggs and honey
- Quality requirements.

Requirements in terms of labelling

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in the section „Description, objectives and harmonization of the regulatory requirements for all sectors with the EU legislation“

Method of labelling and marking of foodstuffs is defined in detail by following rulebooks:

Rulebook on Labelling and Marking of Packed Foodstuffs (Official Gazette of Serbia and Montenegro 4/04)

This Rulebook lays down labelling and marking of packed foodstuffs in trade which are intended for a consumer or public eating establishments without further processing. The provisions of this Rulebook do not apply to foodstuffs packed in the presence of a consumer and foodstuffs labelled by the regulation on wine. The Rulebook contains the following fields: General Provisions on labelling and marking, Method of labelling, Contents of label, Indication of nutritive value and Transitional and Final Provisions

Harmonization:

- Directive 2000/13/EC of European Parliament and of the Council on approximation of laws of Member States related to labelling, presentation and advertising of foodstuffs, OJ L 109, 2000.
- Council Directive on nutrition labelling for foodstuffs 90/466/EEC, OJ 1991/2, 1991.
- Council Directive on indications or marks identifying the lot to which a foodstuffs belongs, 89/396, 91/238/EEC and 92/11/EEC, OJ L 186, 1989; OJ L 107, 1991 and OJ L 65, 1992.

c) pigmeat, poultrymeat, eggs and honey.

Description, objectives and harmonization of regulatory requirements for the following sector with the EU legislation:

Pig meat, poultry meat, eggs and honey

Rulebook on Quality of Slaughtered Pigs and Categorization of Pig Meat (Official Gazette of the Federal Republic of Yugoslavia 2/85 and 24/86)

This Rulebook lays down more detailed requirements which pig meat in carcasses, carcass halves and basic parts of a carcass half and edible parts of slaughtered pigs must meet, as well as requirements for assurance of quality in terms of storage, packing and transport.

Pig meat is placed on the market as suckling pig's meat and pork.

According to the quantity and quality of certain parts of pig half carcass, pork is placed on the market as: extra category meat, I category meat. This Rulebook lays down more detailed requirements for categories II and III.

Harmonization: not harmonized.

Rulebook on the Quality of Poultry Meat (Official Gazette of the Federal Republic of Yugoslavia 1/81 and 51/88)

This Rulebook lays down more detailed requirements which poultry meat and edible parts must meet, as well as assurance of quality in terms of storage, packing and transport.

According to the type of slaughtered poultry, meat is placed on the market as hen meat, turkey meat, goose meat, duck meat, guinea fowl and rock pigeon meat.

Carcasses of slaughtered poultry are classified into three classes:

- class A and extra class,
- class B
- class C,
- muscle tissue with skin is implied.

Harmonization: not harmonized.

Rulebook on Quality of Eggs and Egg Products (Official Gazette of the Federal Republic of Yugoslavia 55/89)

This Rulebook lays down more detailed requirements in terms of quality which eggs and egg products must meet as well as minimum requirements for preservation of their quality,

According to quality and method of storage, hen eggs are placed on the market as:

- eggs of extra quality,
- eggs of I quality,
- eggs of II quality,
- eggs of III quality.

Harmonization: not harmonized.

Rulebook on Quality and other Requirements for Honey, other Bee Products, Honey-Based Preparations and other Bee Products (Official Gazette of Serbia and Montenegro 45/03)

This Rulebook lays down quality and other requirements for honey, other bee products, honey-based preparations and other bee products which must be met in production and trade. Provisions of this Rulebook apply to individual producers, as well.

Honey, in terms of this Rulebook, is a sweet, thick, crystal, viscous product produced by honey bees from nectar of bee plants or from secretion of live part of plants (conifers and deciduous trees) that bees collect, add their own specific substances to, transform and put into honeycomb cells to ripen.

According to origin of honey plants or other honey plant parts, honey is placed on the market as:

- honey varietals (monofloral) honey (for example: lime-tree, acacia, sunflower, sage);
- floral (polyfloral) honey;
- honeydew honey (forest honey).

Honey which is placed on the market must meet the following requirements:

- contain at least 65% of reducing sugars, except for honeydew honey, which must contain at least 60% of reducing sugars;
- not contain more than 5% of saccharose, except for acacia, heather and honeydew honey which may contain up to 10%;
- not contain more than 20% of water, except for heather honey and clover honey which may not contain more than 23% of water;
- not contain more than 0,5% of mineral substances, except for mixed flower honey, which may contain maximum 1% of mineral substances and honeydew honey which may contain maximum 1.2% of mineral substances;
- total acidity may not exceed 40 m mol of formic acid per 1000 g;
- not contain more than 0.1% of substances insoluble in water, except for the pressed and melted honey, which may contain up to 0.5% of these substances;
- that diastase activity measured is not lower than 8 after mixing. If it is lower than 8, Hydroxymethylfurfural (HMF) must not exceed 15 mg/kg, and for honey with lower natural content of enzymes (e.g. citrus honey), that diastase activity measured is not lower than 3, and HMF contents must not exceed 15 mg/kg;
- that content of Hydroxymethylfurfural (HMF) does not exceed 40 mg/kg;
- during melting, crystallized honey is not subject to temperature exceeding 50° C;

- it ripened in a hive;
- that it has taste and odour (aroma) characteristic of honey;
- that process of fermentation has not commenced, that it is not in the state of fermentation or fermented;
- that it does not have extraneous taste and odour (aroma);
- that no sugar has been added to it (saccharose) or other products which are honey-like in their consistency and composition;
- that it is not obtained by feeding sugar or sugar derivatives to bees, nor that it is mixed with honey obtained thereby ;
- that it does not originate from a honeycomb with a brood;
- that it is not contaminated with extraneous organic and mineral substances, insects and their parts, brood, faeces, mould etc;
- that it is not dyed by any dyeing agents;
- that no preservatives and flavourings are added;
- that acidity is not artificially reduced.

Harmonization:

- partly harmonized with the Council Directive 2001/110/EC relating to honey
- partly harmonized with Council Regulation(EC)No 1234/2007 establishing a common organization of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)

The Rulebook on General Hygiene Requirements for Food of Animal Origin (Official Gazette of Montenegro 14/09)

This Rulebook lays down more detailed requirements and method of meeting general hygiene requirements for food business operators dealing with food of animal origin in all phases of production and trade in food of animal origin, as well as in primary production of food of animal and plant origin with related activities.

General hygiene requirements refer to:

- 1) requirements for establishments and premises for production and trade in food;
- 2) transport;
- 3) equipment;
- 4) water supply and drainage of waste waters;
- 5) personal hygiene of staff employed;
- 6) training of staff employed;
- 7) heat treatment of products;
- 8) food of animal origin (products and raw materials);
- 9) packing and wrapping;
- 10) waste from food of animal origin.

Registration of establishments

Veterinary Administration and Phytosanitary Administration respectively, enter the registered establishments into the register in accordance with the regulation, at the request of a business organization, other legal entity, entrepreneur or natural person engaged in production and trade in food of animal origin i.e. primary production of food of animal and plant origin with related activities.

Approval of an establishment

Veterinary Administration enters the approved establishments into the register in accordance with the regulation, at the request of operators engaged in activities of production and trade in: meat of domestic ungulates, poultry, lagomorphs, farmed wild game, wild game, minced meat, processed meat products, mechanically separated meat, meat products, rendered animal fat, greaves, processed stomachs, bladders and intestines, gelatine, collagen, live bivalve molluscs, echinoderms, tunicates, sea snails, fishery products, frog legs and snails, milk and dairy products, eggs and egg products.

Harmonization: Transposed Regulation 852/2004

Rulebook on Special Hygiene Requirements for Food of Animal Origin (Official Gazette of Montenegro 14/09)

This Rulebook lays down more detailed requirements and method of meeting special hygiene requirements for food of animal origin that the food operator should implement in all phases of production, including transport and distribution for the purpose of further sale or processing, in accordance with the general hygiene requirements prescribed; requirements for animal and public health; requirements for animal welfare; requirements for identification of animals; requirements of traceability and requirements for management of waste of animal origin. This Rulebook applies to unprocessed and processed products of animal origin, which are contained in the composite food as well. A business operator may place on the market only a product of animal origin produced and handled in the approved i.e. registered establishment in accordance with the regulation governing general hygiene requirements for food, indications of health safety and identification marks, labelling with a special identification mark and data on food chain.

○ SPECIAL REQUIREMENTS FOR MEAT OF DOMESTIC UNGULATES

- Transport of live animals to a slaughterhouse
- Requirements for minimum of premises with the aim of prevention of contamination of meat of domestic ungulates
- Hygiene in the process of slaughtering of ungulates
- Post mortem check
- Procedure following the post mortem check
- Emergency slaughter of ungulates outside a slaughterhouse
- Requirements for cutting plants for meat of ungulates
- Hygiene during meat cutting and boning
- Temperature requirements for storage and transport of meat of ungulates
- On farm slaughter

○ SPECIAL REQUIREMENTS FOR EGGS AND EGG PRODUCTS

- Requirements for eggs
- Requirements for establishments for production of egg products
- Raw materials for production of egg products
- Hygiene requirements for production of egg products
- Analytical specifications.
- Label and identification mark

Harmonization: Transposed Regulation 853/2004 EC

Rulebook on maximum permitted concentrations of residues of pharmacologically active substances in veterinary medicinal products in foodstuffs of animal origin (Official Gazette of Montenegro 51/07)

- described in part "Milk and dairy products"

Rulebook on the method of performing the veterinary-sanitary check and control of animals prior to slaughter and of products of animal origin (Official Gazette of the Socialist Federal Republic of Yugoslavia 68/89)

The rulebook prescribes the method of performing the veterinary-sanitary check and control of animals prior to slaughter and of the following products of animal origin:

- cleft-footed animals, hooved animals, poultry and rabbits prior to slaughter, meat of cleft-footed animals, hooved animals, poultry, rabbits and wild game; fish, milk and eggs; honey, crustaceans, bivalve molluscs, snails and frogs and products of meat, fish, dairy, egg, crustaceans, snail and frog products intended for public consumption
- establishments and equipment for slaughtering animals, establishments for treatment and processing of meat, fish, crustaceans, bivalve molluscs, snails, frogs, milk and eggs and establishments and equipment for their storage

Harmonization: not harmonized

Rulebook on Monitoring of Residues in Animals, Foodstuffs of Animal Origin and Feed (Official Gazette of Montenegro 46/06)

- described in section "Milk and dairy products"

Rulebook on Microbiological Safety of Foodstuffs in Trade (Official Gazette of the Federal Republic of Yugoslavia 26/93)

- Described in section "Description, Objectives and Harmonization of the Regulatory Requirements for all Sectors with the EU legislation"

Description of management and implementation organization (human, financial and infrastructural resources and management organigramme)

Ministry of Agriculture adopts regulations in the field of safety of food of animal origin (meat, eggs, honey) and lays down requirements for quality of agricultural products.

Veterinary Administration is the body in charge of safety of food of animal origin, composite food and feed in production, international trade, wholesale trade, retail trade of meat, fish and aquaculture products.

Inspection supervision over implementation of regulations in the field of food safety (meat, honey, eggs) is performed by veterinary inspectors.

Checks at the slaughter line (ante mortem and post mortem) are performed by the authorized veterinarians in private veterinary surgeries, who are issued with authorizations by the Director of the Veterinary Administration. Authorized veterinarians are not entitled to undertaking administrative and penal measures; these measures are undertaken by veterinary inspectors.

Veterinary Administration – human resources

Human resources of the Veterinary Administration are defined by the Rulebook on Internal Organization and Systematization of Veterinary Administration (adopted in 2008). In accordance with the systematization, 50 civil servant and public employee jobs have been envisaged. All envisaged posts are not filled, there are currently 42 employed civil servants and public employees, out of which 23 veterinary inspectors, headed by the Chief Veterinary Inspector.

Veterinary Administration – infrastructure resources

Veterinary Administration has material resources that meet the needs of the staff in the seat of the Veterinary Administration (Podgorica), as follows: it is equipped with all the necessary IT equipment, including the 24h internet access; IT system for identification and registration of cattle, linked with the laboratory and border crossings to Serbia (import of live cattle), direct phone lines as well as company mobile phones, vehicles and necessary office equipment. The space where the Veterinary Administration is currently located is limited; therefore, it is necessary to provide adequate space for the purpose of a more efficient operation of the Administration.

Offices of the Veterinary Inspectorate outside the seat of the Veterinary Administration (in certain municipalities of Montenegro) are equipped with: direct phone and fax lines and have permanent access to internet, but the IT equipment is outdated, space and office equipment do not meet the needs of the staff, a part of equipment necessary for carrying out inspection controls is lacking. All veterinary inspectors have company mobile phones and vehicles (a number of vehicles are old).

Infrastructure and other requirements prescribed for operation of the border veterinary inspectorate are not met at the border inspection posts. The existing offices are unsuitable in terms of space and office equipment (except for the 3 newly-constructed border crossings), in some of them there is no direct phone and fax line, equipment for carrying out inspection controls is lacking in part. All border inspectors have company mobile phones, internet, vehicles and partly the equipment necessary for sampling.

A part of the existing equipment (computers, vehicles and professional equipment for veterinary inspectors) has been supplied within the framework of projects supported by the EU and other donors in the past 10 years.

Supply of the lacking equipment and promotion of the existing border crossings is envisaged. Also, reconstruction of the existing or construction of a new border inspection post the Port of Bar is envisaged in accordance with the EU requirements, through the MIDAS project (World Bank).

Veterinary Administration – Financial resources

Salaries and other financial funds in relation with carrying out of regular activities of the Veterinary Administration are established in the Budget of Montenegro and earmarked to the Veterinary Administration as a separate budgetary unit. Financial resources are planned through the multiannual programme budget and at annual basis in coordination with the Ministry of Finance.

Requirements for marketing of agricultural products (grading, mandatory/voluntary standards), requirements in terms of labelling:

Requirements for marketing of: beef and veal, sheep and goat meat, pig and poultry meat, eggs and honey:

- Safety requirements:
 - Animal health
 - General hygiene requirements
 - Special hygiene requirements
 - Microbiological, physical, chemical, biological contaminants
 - System based on the HACCP principles for all establishments where production and trade in meat are carried out;
 - implementation of the good hygiene practices and good farming practices in production and trade in eggs and honey
- Quality requirements.

Requirements in terms of labelling

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in the section “Description, objectives and harmonization of the regulatory requirements for all sectors with the EU legislation“:

Method of labelling and marking of foodstuffs is defined in detail by following rulebooks:

Rulebook on Labelling and Marking of Packed Foodstuffs (Official Gazette of Serbia and Montenegro 4/04)

This Rulebook lays down labelling and marking of packed foodstuffs in trade which are aimed at a consumer or public eating establishments without further processing. Provisions of this Rulebook do not apply to foodstuffs packed in the presence of a consumer and foodstuffs labelled by the regulation on wine. The Rulebook contains the following fields: General Provisions on labelling and marking, Method of labelling, Contents of label, Indication of nutritive value and Transitional and Final Provisions.

Harmonization:

- Directive 2000/13/EC of European Parliament and of the Council on approximation of laws of Member States related to labelling, presentation and advertising of foodstuffs, OJ L 109, 2000.
- Council Directive on nutrition labelling for foodstuffs 90/466/EEC, OJ 1991/2, 1991.
- Council Directive on indications or marks identifying the lot to which a foodstuffs belongs, 89/396, 91/238/EEC and 92/11/EEC, OJ L 186, 1989; OJ I 107, 1991 and OJ L 65, 1992.

d) fruit and vegetables;

Description of the existing regulatory requirements, objectives, harmonization with the EU legislation

Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Law on Plant Protection Products (Official Gazette of Montenegro 51/08)

Law on Plant Protection Products governs issues of registration and application of plant protection products and control of pesticide residues in primary plant production products from the aspect of plant and human health.

Harmonization:

- Harmonization of the Law with primary and secondary EU legislation is presented in detail chapter XII – Phytosanitary policy, Plant protection products and pesticide residues – question no. 25.

Rulebook on Quality of Fruit, Vegetables and Mushrooms (Official Gazette of the Socialist Federal Republic of Yugoslavia 29/79, 53/87, Official Gazette of Serbia and Montenegro 13/03, 56/03, 04/04)

This Rulebook prescribes minimum quality conditions which fruit, vegetables and mushrooms must meet prior to placement on the market, as well as packing requirements for the purpose of quality assurance, as well as the method of labelling. The Rulebook lays down that these products must be ripe and fresh, they must not be dirty, damp, rotten, contain residues of plant protection products or have a strange and unpleasant taste and odour. Fruit and vegetables can be classified into three classes, by the standards prescribed (extra, class I and class II).

Harmonization:

- The issue of fruit and vegetable quality deriving from the Law on Food Safety is currently regulated by the Rulebook on Quality of Fruit, Vegetables and Mushrooms (Official Gazette of the Socialist Federal Republic of Yugoslavia 29/79, 53/87). Fruit and Vegetables quality standards established by Commission Regulations are different from quality standards established by the existing Rulebook on Quality of Fruit, Vegetables and Mushrooms in Montenegro.

Rulebook on Quantities of Pesticides, Metals and Metalloids and other Poisonous Substances, Chemotherapeutics, Anabolics and other Substances which might Occur in Foodstuffs (Official Gazette of the Socialist Federal Republic of Yugoslavia 5/92, 11/92, 32/02)

This Rulebook lays down the permitted quantities of pesticides, metals and metalloids and other poisonous substances, chemotherapeutics, anabolics and other substances which might be found in foodstuffs.

Harmonization: not harmonized

Rulebook on Hygiene Requirements for Food of Animal or Plant Origin (Official Gazette of Montenegro 14/09)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

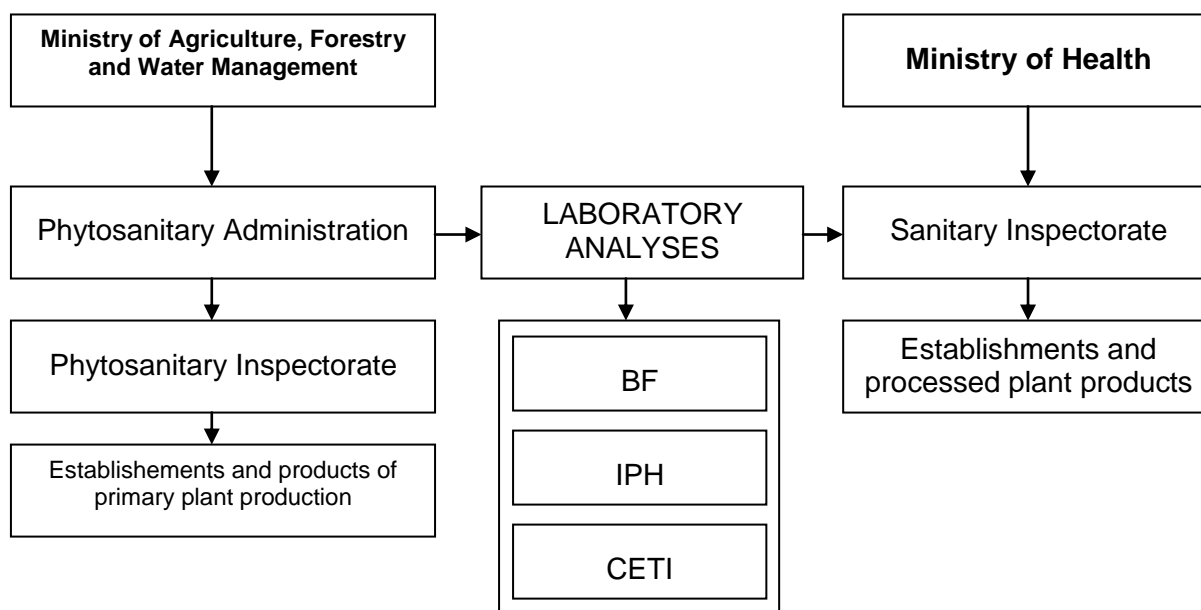
Description of management and implementation organization (human, financial and infrastructural resources and management organigramme)

Law on Food Safety (Official Gazette of Montenegro 14/07) defines the institutions in charge of control of agricultural products of plant origin:

- **Phytosanitary Administration** is established by the MAFWM, it is the body competent for safety of food of plant origin at the primary production level.
- **Phytosanitary Inspectorate** performs control of products of primary plant production as well

as premises, equipment, raw materials and substances used in preparation of food of plant origin at the primary production level.

- **Sanitary Inspectorate**, within the Ministry of Health, performs control of processed and semi-processed products of plant origin. Sanitary Inspectorate checks control systems set up by the food operator as well as obtained results, premises, equipment, raw materials, substances used in preparation and production of food, as well as materials, wrapping and objects coming in contact with food.
- **Examination of health safety and quality control of plant products** are performed in the authorized laboratories of: Biotechnical Faculty, Institute of Public Health of Montenegro and Centre for Eco-Toxicological Researches of Montenegro.



Biotechnical Faculty (BF).

Institute of Public Health of Montenegro (IJZ).

Centre for Eco-Toxicological Researches of Montenegro (CETI)

Requirements for marketing of agricultural products (grading, compulsory/voluntary standards) requirements in terms of labelling

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Rulebook on Labelling and Marking of Packed Foodstuffs (Official Gazette of Montenegro 4/04), lays down in detail the method of labelling and marking of foodstuffs. This Rulebook prescribes labelling and marking of packed foodstuffs in trade which are aimed at a consumer or public eating establishment without further processing. Provisions of this Rulebook do not apply to foodstuffs packed in the presence of a consumer or foodstuffs labelled by the regulation on wine.

e) wine and derived products;

Description of the existing regulatory requirements, objectives, harmonization with the EU legislation

Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Law on Wine (Official Gazette of the Republic of Montenegro 36/07)

Law on Wine governs production and trade in grape for wine, production and trade in wine and other grape and wine products, labelling, geographic origin of wine and other issues of relevance for viticulture and wine production.

Basic terms in use in viticulture - wine-making are established. Namely, the term *region* is defined as the basic production area, as well as the *sub-region* with the possibility of their further division to smaller territorial units where specific agro-environmental conditions influence wine properties.

This Law defines wine as the agricultural food product.

Pursuant to the EU Directives, the basic principle is established that vine varieties, the grape of which is aimed at production of wine, must belong to the *Vitis vinifera* variety. Also, categories of wine are established by quality and geographic origin, colour and contents of unfermented sugar.

In chapter – Grape and wine production – the obligation of keeping a register of grape producers, wine producers as well as persons performing trade in wine in bulk is established by the local administration body, while at the national level it is in the form of the Central Register; records should be kept by the administration body in charge of viticulture and wine-making affairs.

Quality wine has controlled geographic origin, therefore, its production from imported grapes as well as from grapes from different regions is prohibited within the Montenegrin vine growing area. Thus we stimulate the development of the viticulture sector, setting up of new vineyards, i.e. expansion of the raw material basis for production of quality Montenegrin wines with controlled geographic origin for the purpose of their better positioning in the world market. Table wine may be produced from grapes from different regions of the Montenegrin vine growing area as well as from imported grape, which originates from the Cla vineyard zone, to which the Montenegrin vine growing area belongs in accordance with the EC Council Regulation No. 1493/1999.

Chapter – Quality evaluation and labelling of wine – lays down the basic principles and procedures for determination of wine quality prior to its marketing, the method and procedure of quality evaluation and super-evaluation.

Rules for marking wine are established; the basic contents of label are established with the possibility of a more detailed prescription of contents of declaration by secondary legislation.

Chapter – Trade in grape and wine – establishes the requirements for sale of grapes, must, wine and other products from grapes and wine as well as trade of bulk wine.

The provision that grapes, must, wine and other products from grapes and wine labelled as Montenegrin product must originate in entirety from grapes produced in Montenegro and that the entire production process must be performed in Montenegro is particularly emphasised.

It is also emphasised that the superior quality wine with controlled geographic origin cannot be sold in bulk, as well as that wine exported or imported must be supplied with an appropriate certificate.

Conditions under which trade in wine and other grape and wine products cannot be performed are defined in particular.

Provisions of inspection supervision, pursuant to basic legal solutions, establish inspection supervision over implementation of this law, for the purpose of its more consistent implementation, i.e. accomplishment of planned objectives in ensuring a higher level of control in the process of production and trade in grapes, wine and other grape and wine products.

Penal provisions lay down the offences for activities performed in contravention of provisions of this Law as well as sanctions for the offence perpetrated.

Harmonization:

- Partly harmonized with the EU legislation, i.e. the Council Regulation EC 1493/99 formerly in force, on Common Market Organization for Wine and Regulation 753/02 prescribing certain rules for implementation of the Council Regulation no. 1493/1999.
- fully harmonized fields refer to: protection of geographic origin and marking. Concerning distillation, legislation is partly harmonized with the EU legislation, because in Montenegro there are no intervention measures nor incentives for storage of table wine, must, concentrated grape must and rectified grape must.
- in Montenegro, there are no incentives for reduction of vine-growing areas, nor the premiums for permanent abandonment of vine growing on a designated surface. The Vineyard Cadastre has not been set up. .
- harmonization of the Law with the most recent Regulation EC 479/08 and development of a rulebook in compliance therewith is envisaged.

So far, two rulebooks have been adopted:

- Rulebook on the Form of Application for Imports of Grapes Intended for Production of Table Wine (Official Gazette of the Republic of Montenegro 54/07) and
- Rulebook on Contents, Method of Keeping and Form of the Register of Grape and Wine Producers and the Central Register (Official Gazette of Montenegro 64/08).

Deadline envisaged for achievement of full harmonization of the regulation with the *Acquis Communautaire* is the day of accession of Montenegro to the EU.

Participation in other programmes of international standards

Montenegro is an OIV member (International Organisation for Vine and Wine) and Montenegrin legislation is fully harmonized with the resolutions adopted by the OIV

Description of management and implementation organization (including human, financial and infrastructural resources and organigrammes of management, if possible)

Implementation of legislation in the field of viticulture and wine-making is performed by:

- Ministry of Agriculture, Forestry and Water Management,
- Ministry of Economy,
- Agricultural Inspectorate
- Market Inspectorate
- Laboratories.

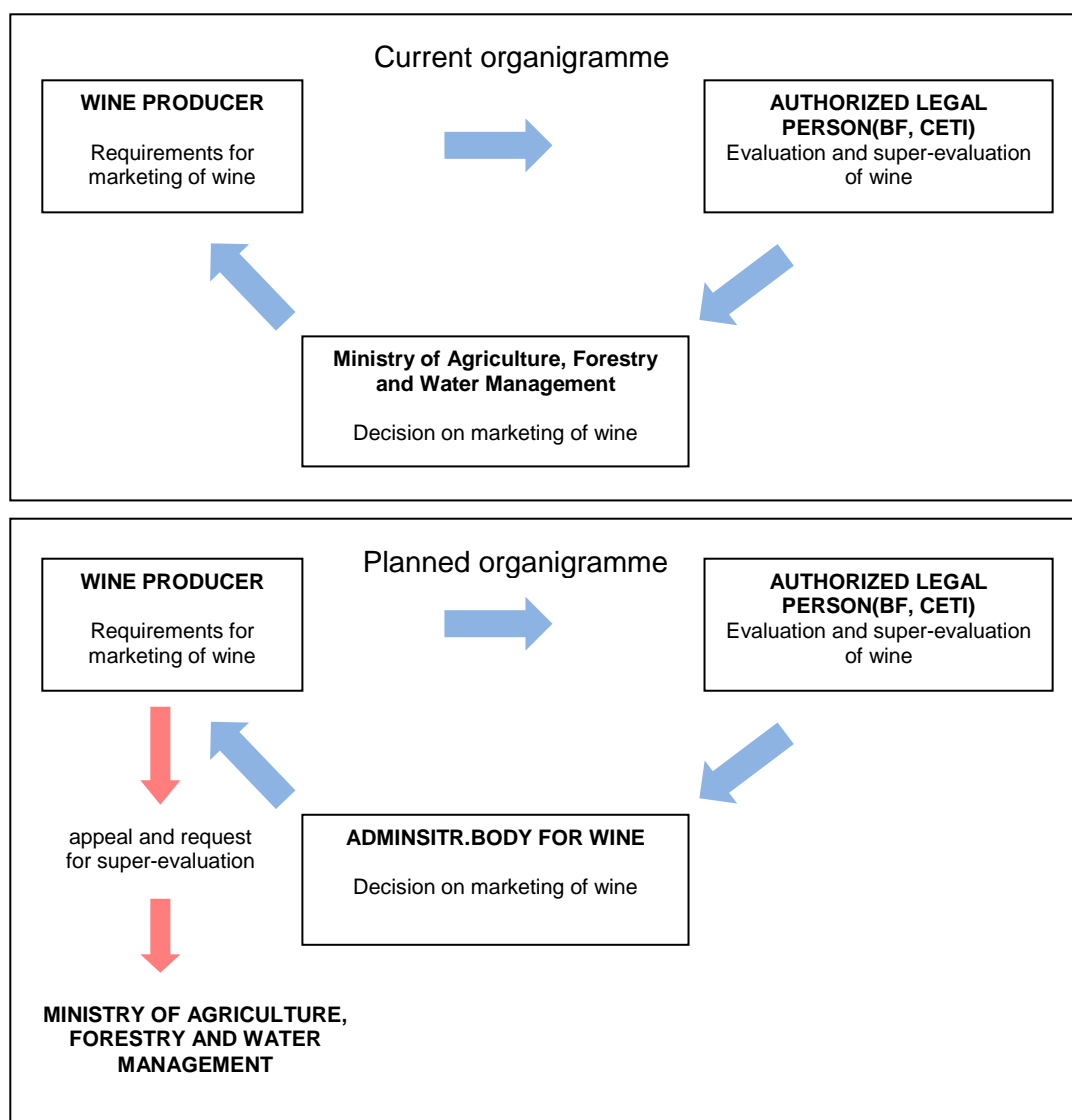
Pursuant to provisions of the Law on Wine, its implementation lies with: MAFWM, Administration body in charge of viticulture and wine-making affairs, legal person in charge of wine quality evaluation authorized by the Ministry and Wine Inspectorate.

So far, no administration body for viticulture and wine-making affairs has been established; the MAFWM, or more precisely - one civil servant in the Ministry performs the activities that will fall under its competencies, so enlargement in the administrative structure is necessary.

In accordance with the Law on Wine, the Biotechnical Faculty and the Public Institution Centre for Eco-Toxicological Researches were authorized to perform wine quality evaluation (organoleptic analysis of wine, and physical-chemical analysis of wine). On the basis of their evaluation, the Ministry adopts a Decision on Permission of Wine Marketing pending the establishing of the competent administration body, and at the same time it decides upon an appeal in case of need for super-evaluation of wine quality.

Law on Wine envisages that inspection supervision and control are performed by the wine inspectorate of the Ministry of Agriculture, Forestry and Water Management. Process of establishment of wine inspectorate, i.e. additional training of agricultural inspectors is under way.

Inspection supervision in the market is carried out by the market inspectorate.



Requirements for marketing of agricultural products (grading, mandatory/voluntary standards) requirements in terms of labelling

The system of standards for quality control ISO 9001 and HACCP system for critical control point in the food production process is applied, which are continuously upgraded.

The Law on wine clearly lists rules for product labelling and this issue is fully harmonized with the EU legislation.

f) olives and olive oil

Description of the existing regulatory requirements, objectives, harmonization with the EU legislation

Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Law on Food Safety (Official Gazette of Montenegro 14/07)

- Described in section "Description, Objectives and Harmonization of Common Regulatory Requirements for all Sectors with the EU legislation"

Law on Olive Growing (Official Gazette of the Republic of Montenegro 55/03)

Law on Olive Growing is adopted for the purpose of preservation of the olive resources, in order to encourage setting up of new plantations and ensure their use on a modern basis. It regulates requirements for processing olive fruit and trade in olive oil. One of the reasons for adoption of the Law is setting up of the system for chemical analysis and organoleptic evaluation of olive oil in reference laboratories.

Harmonization:

Provisions of the International Agreement on Olive Oil and Table Olives are adhered to in Montenegro. Register of olive groves has not been set up. In the MAFWM, there is the so-called “olive application register“ with 536 olive growers and 50,560 olive trees entered. Setting up of the Register of olive groves, in accordance with the legal system of the EU is planned to be finalized by 2012, through implementation of the MIDAS project.

Three pieces of secondary legislation have been published:

- Olive varietal list (*Olea europea* L.) – recommended varieties (Official Gazette of the Republic of Montenegro 54/07),
- Rulebook on the Schedule of Examinations for Olive Pruning (Official Gazette of the Republic of Montenegro 57/07) and
- Rulebook on the Form of the Register of Olive Groves and Keeping Records (Official Gazette of the Republic of Montenegro 57/07)

Participation in other programmes of international standards

Montenegro is an IOC member (International Olive Council) since November 2007.

Description of management and implementation organization (including human, financial and infrastructural resources and organigrammes of management if possible)

- Ministry of Agriculture, Forestry and Water Management,
- Ministry of Economy
- Agricultural Inspectorate
- Market Inspectorate

Implementation of legislation from the field of olive growing is carried out by the Ministry of Agriculture, Forestry and Water Management, Ministry of Economy, Agricultural and Market Inspectorate. Chemical analysis of olive oil is performed by the laboratory of the Biotechnical Faculty, Centre for Sub-Tropical Crops in Bar, which fulfil all conditions concerning equipment and professional competencies for these analyses.

All affairs in relation with olive growing are performed by only one civil servant in the Ministry, who is in touch with the olive growers associations, local government bodies and the Extension Service in Plant Production. An increase in administrative structure is needed for harmonization of regulations with the EU legislation, especially regarding the establishing of the Register of olive groves.

Law on Olive Growing lays down that inspection supervision and control of production/processing is performed by the Agricultural Inspectorate of the Ministry of Agriculture, Forestry and Water Development. Inspection supervision in the market is performed by the Market Inspectorate.

Requirements for marketing of agricultural products (ranking, compulsory/voluntary standards) requirements in terms of labelling

Montenegro is an IOC member (International Olive Council) since 13 November 2007, and thereby signatory to the International Agreement on Olive Oil and Table Olives. Thereby, Montenegro committed itself to adherence to principles, rules and recommendations concerning introduction of uniform methods of analyses and application of standards referring to physical, chemical (free fatty acids, peroxide, iodine number) and organoleptic properties of olive oil. This agreement specifies basic economic provisions and provisions on standardization, as well as general definitions and labels, which the IOC members committed themselves to use in international trade, as well as to encourage their application in internal trade.

The following standards are applied in production of olives and olive oil:

- Good Agricultural Practices (GAP) with defined method of operation of primary production producers,
- Good Hygienic Practices (GHP), entails harmonization with the general and special principles of hygiene norms,
- Good Manufacturing Practices (GMP), entails harmonization with norms of operation, industrial standards, regulations and laws regarding production, processing, handling, labelling, sale of food.

According to the Law on Food Safety, the entities engaged in olive and olive oil production are obliged to set up and implement the Hazard Analysis Critical Control Point system (HACCP) and the traceability system from 1 January 2010.

12. Regarding the wine sector, please describe the status of your preparations for the establishment of a vineyard register.

Pursuant to the Law on Wine (Official Gazette of the Republic of Montenegro 36/07) and the Rulebook on Contents, Method of Keeping and Form of the Register of Grape and Wine Producers and the Central Register (Official Gazette of Montenegro 64/08), the Registers of Grape and Wine Producers were established in 10 Montenegrin municipalities where grapevine is grown and wine is produced. Also, the Central Register has been set up in printed and electronic form in the Ministry of Agriculture, Forestry and Water Management, into which 85 grape and wine producers have been entered so far.

Wine producers, who do not have their own vineyards are also entered into the Register of Grape and Wine Producers and into the Central Register, and they can purchase grape from grape producers from Montenegro, who are entered into the Central Register or import grape in accordance with provisions of the Law on Wine (Official Gazette of the Republic of Montenegro 36/07) and the Rulebook on the Form of Application for Imports of Grape Aimed at Production of Table Wine (Official Gazette of the Republic of Montenegro 54/07).

In addition to these registers, deriving from the Law on Wine, the so-called “vineyard application register” was set up in the MAFWM, through implementation of the agro budget programmes, prior to adoption of the abovementioned Law, into which 897 grape producers and 2,500 ha of vineyards were entered by the end of 2008. The Register contains data on vineyard owner, cadastral information on the vineyard and vineyard properties: number of plants, age of plants and composition of a vineyard in terms of varieties.

One of the components of the MIDAS project (Montenegro Institutional Development and Agriculture Strengthening) is “Strengthening of administrative and management capacities of the MAFWM in accordance with the EU pre-accession requirements” and the sub-component within it “Modernization of the Agricultural Information System”, which entails development of registers connected to the IACS, among which is the vineyard cadastre, in addition to implementation of the Agricultural census.

The project will finance development of cadastral maps on the basis of the existing aerial photographs made for the entire country in 2007. Maps will be developed in ten municipalities and will cover vineyard, olives and citrus areas (obligatory EU registers). The project envisages setting up of the office for keeping registers with 4 employees and upgrade of IT equipment.

Pilot projects will commence until 2010 at the latest in the field of graphic and alpha-numeric system for identification of agricultural plots. All mandatory registers will be established by the end of 2012.

III. RURAL DEVELOPMENT

13. Describe the institutional framework for rural development; decision-making structure and responsibilities (top-down/decentralised method).

Rural Development Policy makes an integral part of the overall agricultural policy, i.e. its second pillar. Therefore, the Ministry of Agriculture, Forestry and Water Management implements it according to the same procedure as the overall agricultural policy.

1. Procedure of preparation and definition of Rural Development Policy measures

The following elements and steps are important in the procedure of preparation and implementation of the agricultural policy, and therefore, the rural development policy, at the annual level:

- Strategic documents in force (the Strategy and the National Programme) and the existing legal framework (Law on Agriculture and Rural Development) represent the starting position for the policy,
- Analysis of the programme – of budget lines from previous years,
- Assessments, suggestions and recommendations of beneficiaries of budgetary funds, delivered through direct contacts with beneficiaries in the course of the year, or opinions and suggestions delivered from the local level, through producer organizations or associations,
- Expert views of national experts – primarily from the Biotechnical Faculty,
- Assessments, recommendations and suggestions of representatives of international projects and organizations,
- The Ministry coordinates the overall policy making – it appoints teams for development and a person responsible for every rural policy measure in the Ministry,
- Measures containing the following elements important for implementations are defined on the basis of collected inputs: title of the measure, reasons for intervention, objectives, description, eligibility criteria, beneficiaries, implementation procedure, and budget – financial plan.

2. Procedure of adoption of rural development measures

- Harmonization of the text of specific measures in the Ministry,
- Development of the final version of the decree titled: Plan of Use of Funds for Stimulating Agriculture Development for the Calendar Year (commonly referred to as: Agro budget),
- Submission of the final version of Agrobudget for approval to the Government's commissions: Commission for Economic Policy and Commission for Finance,
- the Government adopts the Decree – Agrobudget, whereby it authorizes the Ministry for its implementation,
- the Ministry presents the overall agricultural policy to the public, it distributes and publishes the Agrobudget,

3. Implementation of the Rural Development Policy

Measures of agricultural policy, and thereby Rural Development Policy, are actually implemented in two ways:

- a) Ministry directly provides assistance (most of Axis 1 measures - Rural Development Policy):
 - for measures where criteria and procedure are given in the Agrobudget, final beneficiaries (associations, economic operators or individuals), file applications to the Ministry and exercise the right to assistance;
 - for a number of measures, the Ministry announces an advertisement or a tender, defining more detailed requirements for assistance,
 - Commissions established by the Ministry (including representatives of the Extension and Selection Services) and/or Department for Rural Development (Managing authority) consider the applications received and perform the procedure of project approval
- b) Implementation is delegated to the responsible institutions by a contract:

- Biotechnical Faculty – part of measures of the first and second Axes of the Rural Development Policy, as follows:
 - i. scientific centres – preservation of genetic resources in agriculture,
 - ii. Extension Service in Plant Production – support to setting up of perennial plantations and support to construction and equipping of greenhouses, support to investments for land policy,
 - iii. Livestock Selection Service – Sustainable use of mountain pastures
- other institutions – local government for the measure: Renewal and development of rural areas and rural infrastructure development.

The Ministry provides the hierarchy of responsibilities of implementing institutions. Also, the Ministry supervises and controls the measure implementation through the Agricultural Inspectorate.

Note: System of regular monitoring and assessment of effects of the policy implementation has not been established yet, it will be the subject of the IPA 2008 Project: Support to Setting up of the System of Programming and Implementation of the IPA support to rural development in Montenegro, the implementation of which will commence by the end of 2009.

14. Detail and describe links between rural development and sectoral and territorial policies.

Rural Development Policy at the national level is in entirety under the competence of the Ministry of Agriculture, Forestry and Water Management. Coordination and harmonization of the Rural Development Policy with other components of the overall agricultural policy is achieved during development of Agrobudget and its implementation, which has already been described in answer to question 13 of this chapter. Coordination and harmonization with other sectoral policies, such as the forestry policy and policy of water resources use is done directly within the development and implementation of the annual Agenda of the Ministry of Agriculture, Forestry and Water Management, which is in charge of implementation of these policies along with its subordinate administration (Forestry Administration and Water Administration).

At the governmental level, the Ministry carries out regular communication, full coordination and harmonization of the rural development policy with the regional development policy and the space use policy, which are under competences of the Ministry for Economic Development and agencies and bodies under that Ministry's competence (Agency for Development of Small and Medium Enterprises etc). Should the need arise, the joint bodies or commissions are established at the governmental level for monitoring of implementation of the respective policies. These Commissions include representatives of local government, as well.

Activities aimed at strengthening and support to rural development are carried out with particular attention, through implementation of the relevant strategic documents (Strategy of Regional Development of Montenegro, Transport Development Strategy, Energy Development Strategy, Tourism Development Strategy, Strategy for Development of Small and Medium Enterprises, Education Strategy, Programme of Public Works etc.). Especially, bearing in mind the commendable developmental potential of these areas, as the factor of acceleration of the overall agricultural development and balanced regional development. In that framework, activities aimed at ensuring adequate infrastructure (road, energy, telecommunications, public utility, health, education etc.) are of particular importance, with the aim of improving the conditions of living and work in rural areas and prevention of depopulation of rural areas.

15. Detailed information is required on existing rural development activities as described below.

Information should be provided on all publicly funded rural development activities, whether these are implemented as part of integrated programmes, or as stand-alone schemes, and should include activities financed both nationally and regionally. The information should cover the legal basis, design, objectives, content, financing, implementation, monitoring, control and evaluation of the programmes or schemes. Any selection criteria used for the definition of areas targeted by specific activities should also be described, and the bodies responsible for the programmes or schemes should be listed.

Rural development activities may include, but are not limited to:

- Increasing the competitiveness of the agricultural and forestry sector through support for investment and restructuring, including investments on farms and forests, support for processing and marketing, land improvement, re-parcelling, irrigation and water management, early retirement, vocational training, provision of advisory and extension services, establishment of producer groups, and establishment and operation of quality schemes for agricultural products;

- Enhancing the environment and countryside through support for sustainable land management, including supporting farming in mountain areas or other areas with particular handicaps, schemes to protect biodiversity, habitats and landscapes, support for environmentally friendly farming and forestry methods, afforestation, measures aimed at climate change mitigation and adaptation, water management (quality protection and quantity saving), soil protection, genetic resource conservation in agriculture;

- Enhancing the quality of life in rural areas and promoting diversification of economic activities, including the provision of basic services (e.g. roads, electricity, water, sewerage) for the rural population, the renovation and development of villages, development of new economic activities to diversify the rural economy, and support for local development activities, small rural developments projects at local level under own initiatives;

The description of each measure/activity should include the following information:

- The name of the policy measure and sub-measure;

- The legislative basis (name and reference of the relevant legal act);

- **The objectives, rationale, and general description;**

- **The beneficiaries, eligibility and selection criteria;**

- **Details of the support provided (payment levels and composition of payments – share of private and public fund);**

- **The amount spent per year over the last 5 years, and budget foreseen for future years, per policy measure;**

- **Number of beneficiaries and average support per beneficiary;**

- **Administration of the scheme (body responsible, processing and evaluation of applications).**

Rural development policy, which is currently implemented in Montenegro, derives from three key documents:

- a) Strategy: "MONTENEGRO'S AGRICULTURE AND THE EUROPEAN UNION – Food Production and Rural Development Strategy" (adopted in mid 2006),
- b) National Programme for Food Production and Rural Development 2009-2013, (adopted by the end 2008); and
- c) Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09), adopted in July 2009.

Incorporation of the rural development policy into the very title of the abovementioned documents confirms the importance of this component of the overall agricultural policy in Montenegro.

FOOD PRODUCTION AND RURAL DEVELOPMENT STRATEGY

Strategy: "MONTENEGRO'S AGRICULTURE AND THE EUROPEAN UNION –Food Production and Rural Development Strategy" (adopted in 2006), represents the key document for the agricultural policy and implementation of reforms necessary for further development and modernization of agriculture.

Part two – **platform, objectives and pillars of the reform** takes the central place in the Strategy since it opens a new path for agriculture and rural development. On the basis of the current situation and international framework and requirements, the Platform proposes a sustainable agriculture development concept, acknowledging its multifunctional role to the highest extent possible. The Platform defines the basic objectives of the agricultural policy, as well as elaboration thereof through operational objectives. Basic pillars of the reforms have been indicated in the fields of: agricultural policy, legislation and institutions.

In the third part of the Strategy, under title **Concept of Agricultural Policy Measures and Budgetary Plan 2007-2013**, the agricultural policy is elaborated by its main components or pillars. Rural development policy, as the second pillar of overall agricultural policy, is defined on the basis of actual requirements and developmental needs of rural areas, and it is in compliance with the new EU rural development policy for the period 2007-2013. It is elaborated by axes, with the aim of supporting all three most important pillars of sustainability:

- economic development, through the first axis of rural development, i.e. several measures for strengthening competitiveness of agricultural production and processing industry,
- environment preservation, through the second axis for sustainable resource management,
- social aspect of sustainability, through the third axis directed towards provision of better living conditions for the rural population and diversification of economic activities in rural areas and the so-called Leader projects.

Within the abovementioned axes of the Rural Development Policy, measures were elaborated, the implementation of which started and which are specified in the National Programme for Food Production and Rural Areas Development (2009-2013).

LAW ON AGRICULTURE AND RURAL DEVELOPMENT

Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09), which was adopted in July 2009, is the basic legal document for defining and implementation of the agricultural policy. That law, inter alia, governs: agriculture and rural development; objectives and measures of agricultural policy; agricultural incentives and eligibility requirements for incentives; incentive beneficiaries; supplementary activities in agriculture; forms of organization in agriculture; activities of public interest; setting up of a paying agency; registers and records as well as other issues of importance for agriculture and rural development.

Essentially, the Law transposes the objectives and agricultural policy from the Strategy and provides them with the necessary legal form. The importance of the agricultural policy is reflected in the fact that the most elaborate chapter in the Law is Measures of Agricultural Policy, where the overall agricultural policy is classified into four basic groups: Market-price, Rural development policy, Activities of public interest and social transfers for rural population.

Rural development policy, implemented through the four basic groups of measures, takes a special place in the overall agricultural policy.

The first group (axis) is aimed at strengthening the competitiveness of food producers primarily through support to investments in primary production and processing industry, then to investments for implementation of land policy, support to introduction of international standards and organization and connecting of producers. The Law sets up and defines support to investments very broadly, as the most recent EU legislation, thereby providing abundant financial support to development, especially during the pre-accession period, when it is necessary to implement numerous standards and raise competitiveness of the domestic production.

The second group (axis) refers to sustainable resources management, envisaging support for development of less favoured areas and agro-environmental measures.

The third group (axis) are measures of support to the quality of life in rural areas (development of rural infrastructure and programme of rural areas renewal) and support to diversification of economic activities in rural areas, whether in the form of supplementary activities in agricultural holdings or as a support to entrepreneurship, development of micro- and small- enterprises and various forms of tourism.

The fourth group of measures of rural development should promote and support local communities and local groups in development and implementation of the new strategies and developmental projects.

NATIONAL PROGRAMME FOR FOOD PRODUCTION AND RURAL DEVELOPMENT 2009 – 2013

National Programme for Food Production and Rural Development 2009-2013. (hereinafter: NP) was adopted by the Government by the end of 2008. It consists of four chapters: I) Starting points; II) Description of measures; III) Financial plan and IV) Program implementation.

The Chapter - Starting points contains the NP objectives, strategic and legal framework and conceptual grounds for agricultural policy, as well as its adjustments to the requirements of the EU model of support to agriculture. The second chapter contains a detailed overview of agriculture policy measures sorted by their basic components, and the rural development policy sorted by its most important axes. Each measure contains elements necessary for implementation. The third chapter contains the financial plan presented for the five-year period by groups of measures, and for each measure separately, as well as the indicated sources of financial support. The last chapter contains overview of provision of the conditions necessary for implementation of the proposed agricultural policy from establishing of the new and strengthening of the existing administrative capacities to development of infrastructural preconditions in the field.

In its essence, the National Programme is an operational document for the Strategy implementation and a framework for harmonization of the overall agricultural policy of Montenegro with the Common Agricultural Policy (CAP) of the EU, which contains the multiannual budgetary plan.

The choice of measures and budgetary projections for their implementation are developed on the basis of: the concept of agricultural policy and objectives defined by the Strategy, analysis of the previous implementation of the incentive-based policy, as well as projections of potential pre-accession and the post-accession EU assistance. In that respect, the need for gradual adjustment of the agricultural policy with the EU Common Agricultural Policy (CAP) is emphasized. Also, the principle of phasing-in and phasing-out of certain existing measures was adhered to.

As stated in the text on the Strategy, the Rural Development Policy has been implemented in many segments for a number of years. Budgetary assistance is increasing year after year and it is especially pronounced concerning measures directed towards strengthening competitiveness (axis 1), as shown in the following table.

Budgetary allocations for the Rural Development Policy by groups (axes) of measures in the period 2002 – 2008

Types of measures	BUDGETARY ALLOCATIONS (national budget; EUR 000)						
	2002	2003	2004	2005	2006	2007	2008
Measures of Rural Development Policy	1,485	1,337	1,352	1,031	2,381	3,199	4,387
Measures of strengthening competitiveness of agriculture	672	544	589	442	1,589	2,127	2,949
Measures for sustainable natural resources management	0	0	0	0	0	23	225
Measures for improvement of the quality of life and diversification of economic activities in rural areas	813	794	764	589	792	1,049	1,213

Importance of the Rural Development Policy in the overall agricultural policy, defined by the National Program, can be observed in the following table. Thus, the Rural Development Policy takes the most important place in the budgetary support to food production and rural development, both concerning the number of measures (17 out of total 36 measures) and its share (42%).

Share of individual pillars in overall agricultural policy of Montenegro, %

Group of measures	Number of measures	2009	2010	2011	2012	2013	09-13
National budget and other sources total	36	100.0	100.0	100.0	100.0	100.0	100.0
Measures of market-price policy	9	26.1	27.9	28.2	27.6	24.6	26.7
Measures of Rural Development Policy	17	35.3	36.2	39.0	42.9	50.7	42.2
Support to general services in agriculture	8	21.7	20.8	19.3	17.6	14.9	18.3
Social transfers for rural population	1	14.4	12.6	10.9	9.3	7.4	10.3
Technical and administrative support to programme implementation	1	2.5	2.5	2.6	2.6	2.5	2.5

11 Agriculture and rural development

Taking into account the analysis of the situation in agriculture and its potential, as well as the specific needs of rural areas, the measures are primarily directed towards raising competitiveness in the sector of agriculture and processing industry. In addition, they are in line with the need for strengthening the economic and social position of rural areas, both through increase in farmers' incomes and through an increase in employability of population outside of agriculture. Special attention is paid to sustainable natural resources management, environmental protection and preservation of biodiversity.

Share of individual axes in the Rural Development Policy, %

Group of measures	Number of measures	2009	2010	2011	2012	2013	09-13
National budget and other sources total	17	100.0	100.0	100.0	100.0	100.0	100.0
1. Measures of strengthening the competitiveness of agriculture	10	66.0	64.9	63.8	62.8	50.9	59.6
2. Measures for sustainable natural resources management	4	9.3	12.1	12.9	12.5	28.1	17.4
3. Measures for improving life quality and diversification of economic activities in rural areas	2	24.8	23.0	23.0	23.9	20.1	22.4
4. Leader projects	1	0.0	0.0	0.4	0.8	0.9	0.6

Rural Development Policy is further classified by the National Program into 17 separate measures, which are shown in the following table, along with the plan of financial assistance.

Measures of Rural Development Policy with the financial plan (EUR 000)

Code	Types of measures	MINISTRY BUDGET					TOTAL 2009-2013		
		2009	2010	2011	2012	2013	Ministry	Other sources	Total
2.1	Axis 1: Measures of strengthening competitiveness of agriculture								
2.1.1	Investments into agricultural equipment and mechanization	600	725	850	975	1,100	4,250	2,700	6,950
2.1.2	Investments in livestock farms	720	783	846	909	972	4,230	0	4,230
2.1.3	Setting up of perennial plantations and construction of greenhouses	994	1117	1240	1362	1,485	6,198	0	6,198
2.1.4	Investments concerning land policy	340	361	383	404	425	1,913	0	1,913
2.1.5	Investments in processing of animal products	795	954	1113	1272	1,431	5,565	2,520	8,085
2.1.6	Investments in storage, packing and processing of plant products	700	805	910	1015	1,120	4,550	0	4,550
2.1.7	Investments in processing on family holdings	70	153	235	318	400	1,175	0	1,175
2.1.8	Producers' organizations	165	182	198	215	231	990	0	990
2.1.9	Improvement of product quality	248	272	297	322	347	1,485	0	1,485
2.1.10	Promotional and informative activities	104	107	109	112	114	546	0	546
	Axis 1 total	4,368	5,458	6,180	6,903	7,625	30,902	5,220	36,122
2.2	Axis 2: Measures for sustainable natural resources management								
2.2.1	Less favoured areas (LFA)	0	0	0	0	3,733	3,733	0	3,733
2.2.2	Preservation of genetic resources in agriculture	100	195	290	385	480	1,450	0	1,450
2.2.3	Organic production	165	281	396	512	627	1,980	0	1,980
2.2.4	Sustainable use of mountain pastures	400	540	680	820	960	3,400	0	3,400
	Axis 2 total	665	1,016	1,366	1,717	5,800	10,563	0	10,563
2.3	Axis 3: Measures for improvement of life quality and diversification of economic activities in rural areas								
2.3.1	Diversification of economic activities in rural areas	80	185	290	395	500	1,450	0	1,450
2.3.2	Renewal and development of rural areas and infrastructure development	1,700	1,750	1,800	1,850	1,900	9,000	3,150	12,150
	Axis 3 total	1,780	1,935	2,090	2,245	2,400	10,450	3,150	13,600
2.4	Axis 4: Leader projects								
		0	0	8	23	38	68	270	338
2	Measures of rural development policy total	7,181	8,409	9,644	10,887	15,863	51,983	8,640	60,623

OVERVIEW OF RURAL DEVELOPMENT POLICY BY AXES AND INDIVIDUAL MEASURES

Measures of Rural Development Policy are shown separately and they contain the following elements: title of the measure, legal basis, reasons for implementation, objectives, description of measure, beneficiaries, implementation in the past five-year period (2004-2008), the plan of assistance for the period 2009-2013 and implementation procedure.

Measures the implementation of which started before are shown from the year when support was introduced.

The support for period 2009-2013 is shown in a table, presenting first the support earmarked by the Agro-budget in 2009, and then the projection of support defined by the National Programme.

Total allocated funds for the Rural Development Policy in Agro-budget for 2009 amounts to EUR 5.95 million, which makes 83% of the amount planned in the National Programme. The main reason for the lower allocated amounts of support is the fact that financing of the Agricultural census is incorporated in the Agro-budget for 2009 (EUR 1.4 mil or 7.1% of total Agro-budget), which had not been planned by the National Programme.

The procedure of implementation of the Rural Development Policy measures is described in answer to question 13 of this chapter, and only specific features of certain measures are given in the last item: implementation procedure.

I) Measures of strengthening competitiveness of agriculture

MEASURE I-1: INVESTMENTS IN AGRICULTURAL EQUIPMENT AND MECHANIZATION

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Reasons for implementation

One of the main causes of insufficient competitiveness of Montenegrin agriculture is the low productivity of physical capital, resulting from insufficient mechanization and equipment. Existing mechanization, except for the part supplied through relevant projects lately, is outdated and used-up to a large extent. Due to unfavourable economic and social position, the agricultural holdings are not able to provide enough funds for modernization of production, on their own. Thus, production is less efficient and human resources less used. Requirements as regards of natural resource maintenance, animal protection and welfare and food safety can be met much better using better equipment and modern mechanization.

Objectives

- enhancing of competitiveness through modernization of agricultural holdings;
- better use of capital and human resources;
- introduction of new technologies and innovations;
- improvement of hygienic conditions on farms and raising the quality of products with positive effects on environment and animal welfare.

Measure description

Support is provided in the form of co-financing of supply of equipment and mechanization on agricultural holdings for the purpose of improving the production technology in various sectors of agriculture, except for the beekeeping. The support is provided to supply of specific pieces of mechanization and equipment, specific lines of or those pieces of mechanization and equipment as defined by sectors.

Investments resulting in a direct and significant improvement of condition on an agricultural holding are given the preference regarding the enhancement of economic as well as other production aspects. That criterion is checked on the basis of basic information on a holding, which are an obligatory and integral part of the applications for support filed.

Maximum share of public funds amounts to 30% of investment value. For holdings in less favoured areas or for young farmers, support can amount to 40% of investment value, and if both requirements are met, up to 50%.

Beneficiaries

Agricultural holdings or groups of holdings which meet the prescribed criteria.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Investment in agricultural equipment and mechanization	Agricultural mechanization and equipment for various purposes – groups of producers	-	-	169,536	209,801	170,000

In 2006 and 2007, support represented co-financing with donation funds (USAID) up to 25% of value of projects approved according to the procedures of implementing agencies, CHF on the North and IRD on the South of Montenegro.

In 2008, support referred to share in supply of equipment and mechanization for establishment and functioning of cooperative machines (up to 50% of value) for production of specific cereals.

Support from the national budget for the period 2009-2013 in EUR 000

Measure	Agro budget 2009	NP- Budgetary Plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Investment in agricultural equipment and mechanization	550	600	725	850	975	1,100	4,250
Share in funds of Axis 1, %	13.0	12.7	13.3	13.8	14.1	14.4	13.8

National Programme of Food Production and Rural Areas Development (2009-2013) envisages donation assistance (IPARD) as well, through investments in agricultural equipment and mechanization, according to the following plan (EUR 000):

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Total</u>
300	900	1,500	2,700

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of a tender.

Project selection is carried out by the Ministry Commission, based on objective criteria which are an integral part of the tender.

Support is provided based on evidence (bills) on purchase of equipment and mechanization and the field report of the authorized inspectorate.

MEASURE I-2: INVESTMENTS IN LIVESTOCK FARMS

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Livestock production in Montenegro is not sufficiently efficient, due to lack of physical capital and low labour productivity. A modern system of production in livestock farming is based on the combination of a good genetic potential of livestock, efficient and cost-effective production of feed, as well as adequate establishments and equipment for livestock farming. Even the extensive production systems demand significant capital investment. A very small number of establishments for livestock meet the minimum EU standard criteria concerning hygiene, environmental protection (especially the nitrate directive), animal welfare and animal protection. Faster development of the relatively underdeveloped livestock farming in Montenegro is not possible without substantial support to investments in repair of the existing and construction of new stables and auxiliary facilities in livestock farms.

Objectives

- Improving of livestock farming competitiveness through modernisation of production facilities;
- Better utilization of capital and human resources;
- Introduction of new technologies and innovations;
- Meeting of the EU standards referring to environmental protection, maintenance of a high level of hygiene and animal welfare and protection.

Measure description

The support is granted primarily for investments into overall setting up of livestock farms: construction of facilities, supply of facilities-related equipment, and supply of breeding livestock. The projects should provide a significant improvement in production technology and meeting of the EU standards (prerequisite for every support) in livestock farming. Support for projects entailing either the necessary physical capital or part of it is possible. Repair of the existing and construction of new farms is supported, giving preference to typical designs, if they are more rational regarding the implementation of objectives of this measures.

Projects should result in direct and significant improvement on an agricultural holding regarding improvement of economic situation as well as other aspects of production. That criterion is checked on the basis of basic information on a holding and presented investment plan, which is an obligatory integral part of the submitted application for support.

The support is granted in the form of co-financing the supply of building material, equipment, breeding livestock, as well as payment for construction works on repair of the existing and construction of the new facilities.

Maximum share of public funds amounts 30% of the investment value. For holdings in less favoured areas or for young farmers, the support may amount up to 40% of investment value, and if both prerequisites are met, up to 50%.

Beneficiaries

Agricultural holdings meeting the criteria of certain tenders, except for those which were granted support for supply of the same mechanization and equipment within the measure I-1 in the same year.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008

11 Agriculture and rural development

Investment in livestock farms	Share in supply of high-quality breeding livestock (up to 20% of purchase price of a head)	-	-	52,980	65,563	100,000
	Investments on livestock farms, including support to improvement of milk production on cattle farms and modernization of technology on swine farms.	-	-	91,126	112,768	332,000
	Restructuring of farms – co-financing of donor projects (MEDNEM project of support to the dairy sector on the North-East of Montenegro)	25,495	35,692	31,868	47,165	58,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP- Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures for strengthening competitiveness of agriculture							
Investments in livestock farms	670	720	783	846	909	972	4,230
Share in funds of Axis I, %	15.8	15.2	14.3	13.7	13.2	12.7	13.7

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of a tender.

Project selection is carried out by the Ministry Commission, based on the objective criteria which are an integral part of the tender.

Support is provided based on evidence (bills) on investment made and the field report of the authorized inspectorate.

MEASURE I-3: SETTING UP OF PERRENIAL PLANTATIONS AND CONSTRUCTION OF GREENHOUSES

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Renewal of existing and setting up of new perennial plantations and construction of greenhouses represent the basic requirement for modern production of fruit, grape, olives and vegetables. In Montenegro, there are favourable natural conditions for that type of production, but, due to inability of agricultural holdings to fully finance the investment in these sectors of agriculture on their own, they are poorly utilized. Production technology and choice of varieties lag behind the modern practice with negative effects on competitiveness. Activation of developmental potential in these sectors of agriculture is enabled through support to investments.

Objectives:

- Increase in competitiveness of fruit, grape, olive and vegetable producers through renewal of the existing and setting up new perennial plantations and construction of greenhouses;
- Better utilization of natural resources;
- Introduction of new varieties, technologies and innovations;
- Enhancement of landscape appearance;
- Reduction of risk from fire and maintenance of natural resources.

Measure description

Support is provided for investments into setting up of new and revitalization of the existing orchards, vineyards and olive groves, as well as for investment in production of seedlings for these plantations. The following may be covered by the support: analysis and preparation of soil, seedlings, plantation and setting up of a perennial plantation. It also covers construction of greenhouses (preparation of soil, supply of equipment and construction of greenhouses).

Preference is given to projects which may result in direct and significant improvement on an agricultural holding, concerning the improvement of the economic situation, as well as other aspects of production.. That criterion is checked on the basis of basic information on a holding and envisaged investment plan which is an obligatory integral part of the submitted application for support.

Maximum share of public funds amounts to 30% of the investment value. For holdings in less favoured areas or for young farmers, the support may amount to 40% of the investment value, and if both prerequisites are met, up to 50%.

If perennial plantations are set up on neglected and fire-stricken land, which can have other significant functions in addition (such as reduction of possibilities of a fire outbreak), the support may amount to 70%.

Beneficiaries

Agricultural holdings and producers organizations meeting the criteria prescribed.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
A) Greenhouses	Support to modernization and equipping of greenhouses for vegetable production	-	-	-	180,000	200,000
B) Perennial plantations	Restructuring of the vineyard sector, including support to autochthonous vine grape seedlings and grape processing	35,000	40,000	131,788	169,338	260,000
	Restructuring of olive groves, support for seedlings and mechanization	30,000	30,000	110,000	170,000	210,000
	Restructuring of orchards, support to production of seed material, eradication of plum pox virus and support for growing fig trees	15,000	80,000	175,000	170,000	236,500
	Development of raspberry growing sector	145,000	45,000	-	-	-
	Support to restructuring of orchard production – co-financing of donation projects	12,747	17,846	15,934	23,582	29,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP- Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Setting up of perennial plantations and construction of greenhouses	830*	994	1117	1240	1362	1,485	6,198
<i>Share in funds of Axis I, %</i>	19.6	21.0	20.5	20.1	19.7	19.5	20.1

In 2009, the measure is implemented in two separate sub-measures:

- Support to setting up perennial plantations – EUR 630,000
- Support to construction and equipping of greenhouses – EUR 200,000

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of a tender. Contents of the tender and method of support implementation are gradually adjusted to the EU practice and requirements.

Project selection is carried out by the Ministry Commission, based on objective criteria which are an integral part of the tender.

Support is provided based on evidence on the investment made and the field report of the authorized inspectorate.

MEASURE I-4: INVESTMENTS REGARDING THE LAND POLICY

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Quality and fertility of soil are among basic prerequisites for efficient agriculture. Draughts are frequent, as well as too much water in the soil. Montenegro, apart from fragmented farms, has a large share of soil of low fertility resulting from the soil composition, presence of rock and other limitations (broken relief, sloping land surfaces etc.). Agricultural holdings are not able to finance the costs of regulation of water and make other investments in soil on their own. Both large and small projects that improve soil quality can have a positive impact on agriculture and its cost-effectiveness, with strict observance of environmental protection principles.

Objectives:

- improving competitiveness of agriculture through soil improvement;
- better utilisation of land resources;
- introduction of new technologies and innovations;
- maintenance and improvement of protection of the environment and natural resources.

Measure description

The support is provided for:

- large projects for melioration and drainage that relate to specific areas; they are planned, as a rule, within the local communities;
- small projects for land operations carried out, as a rule, by individual holdings.

Large projects primarily relate to regulation of water regime (melioration, draining), and may also include other land operations with the same objective. The basis for financial support is project documentation that contains technical and economical parameters, as well as the parameters needed to assess the environmental impact of land operations.

Small projects relate to improvement of water regime on specific agricultural holdings, calcification, meliorations, soil quality control, fertility improvements and other ways of enhancing the soil quality. The projects should result in considerable improvement of the productive capacity of soil. This criterion is verified by using basic data on the holding and the submitted action plan that forms an obligatory, integral part of the application for support.

Maximum share of public funds amounts to 30% of the investment value, or of the programme or activity implemented, as appropriate.

Beneficiaries

- Large projects: local communities, associations and groups of producers or citizens.

- Smaller projects: agricultural holdings that fulfil the criteria set, except those that received support in the course of the same year for the same purposes under the measure I-3 (Investment in setting up perennial plantations).

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Investments regarding land policy	Support to construction of the irrigation system	-	-	211,921	262,252	400,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Investment regarding land policy	300	340	361	383	404	425	1,913
Share in funds of Axis I, %	7.1	7.2	6.6	6.2	5.9	5.6	6.2

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measures.

The measure is implemented on the basis of a tender.

Project selection is carried out based on objective criteria which are an integral part of the tender.

Support is provided based on evidence on an investment made, a project or activity carried out.

MEASURE I-5: INVESTMENT IN ANIMAL PRODUCTS PROCESSING

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

The development of the animal products processing industry in Montenegro has been evident since 2000. Investments are made in new plants, technology and production therein has been modernised. There is a significant number of smaller slaughterhouses, 7 meat processing plants and 18 dairy plants (e.g. dairies and cheese plants).

Productivity and hygiene are being improved, but without additional and major interventions, this industry cannot keep up with the competition when the market completely opens up; this could also indirectly jeopardise the primary agricultural production. In order to fulfil the demanding EU standards in the areas of environmental protection and food safety, new significant investments are needed. Lack of new product development, promotion and marketing efforts is evident. Value added in processing industry is relatively small and does not provide a sustainable position in the domestic market. Development of the animal products processing industry is one of the main conditions for developing livestock farming as the most important branch in Montenegro's agriculture. Investments in physical capital are needed, as they would enable higher labour productivity as well as investments in the transfer and development of knowledge in management and marketing.

Objectives:

- improving competitiveness of animal products processing through a thorough modernisation of production and marketing conditions with the aim of creating a new added value;
- increasing added value in production of animal products by increasing efficiency in processing and marketing;
- introduction of new technologies, innovations, and opening of new market possibilities
- fulfilment of EU standards and targeted improvements with regard to quality, environmental protection and food safety,
- strengthening links with primary production.

Measure description

The support to increase added value in the animal products processing industry encompasses investments in the processing and marketing of existing products, as well as in the development of new products, processes and technologies. All projects have to demonstrate that they fulfil EU requirements in the area of food safety and environmental protection (which is a condition for every support). Support is available for projects of whole or partial solutions for processing and marketing. Co-financing applies to the supply of materials, equipment and mechanisation, as well as for construction works for reconstruction of existing or building new facilities, patents and licences, development of technical documentation, marketing analysis and the costs of new product development.

Economic feasibility of a project is proved by submitting a business plan, which is a necessary integral part of an application for support. The business plan has to include elements of the technical specification of a project, a specification relating to compliance with hygiene and environmental protection conditions, the organisation and utilisation of domestic production resources in livestock farming, as well as marketing possibilities in the domestic and foreign markets. Preference is given to projects that directly encourage the development of primary livestock farming in regional and national contexts.

Maximum share of public funds amounts 30% of an investment value.

Beneficiaries

Micro, small and medium enterprises meeting the criteria prescribed.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Investments in animal products processing	Support to investments in animal products processing – co-financing of donor projects	25,495	35,692	31,868	47,165	58,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Investments in animal products processing	670	795	954	1113	1272	1,431	5,565
Share in funds of Axis I, %	15.8	16.8	17.5	18.0	18.4	18.8	18.0

National Programme for Food Production and Rural Development envisages donor assistance (IPARD) to investments in animal products processing, in accordance with the following plan (EUR 000):

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Total</u>
280	840	1,400	2,520

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of a tender.

Project selection is carried out on the basis of objective criteria, which are an integral part of the tender.

Support is provided based on evidence on the investment made and the field report of the authorized inspectorate.

MEASURE I-6: INVESTMENTS IN STORAGE, PACKING AND PROCESSING OF PLANT PRODUCTS

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

One of important conditions for plant production development - especially in the vegetable and fruit sector - is a well-developed market infrastructure that enables the storage and keeping of fresh produce for the market, thus reducing the seasonal character of those products. The possibility of marketing fresh produce for a longer period of time, as well as processing those products, can significantly increase the value added of plant production, while having a positive effect on the competitiveness of these sectors. The market infrastructure in Montenegro is underdeveloped. The number and capacity of cooling facilities are very limited, and lack of processing facilities in this field poses particular problem. The value added in plant production is thus relatively low and it does not enable long-term sustainable positioning on the domestic market. Export capacities are only partly used.

In order to fulfil the high standards of the modern market with respect to quality, quantity and food safety, larger investments are needed, and they cannot be made without significant support from budgetary funds. Investments in physical capital, which would enable higher labour productivity, as well as in the transfer and development of knowledge in management and marketing, are needed.

Objectives:

- improving competitiveness of processing plant products through a thorough modernisation of production and marketing conditions
- increasing value added in plant product production through increased efficiency in processing and marketing
- introducing new technologies, innovations and opening new market possibilities
- meeting the EU standards and targeted improvements in food quality and safety
- strengthening links with primary production.

Measure description

Support is provided for investments resulting in increase in added value in the following segments: collecting, storage, processing, packaging and marketing of products, as well as for investments in development of new products, processes and technologies. Projects of integral or partial solutions are supported. The following is co-financed: supply of materials, equipment, mechanisation as well as construction works for reconstruction of existing and building new facilities; patents, licenses and development of technical documentation, marketing analyses and the development of new products.

All projects have to demonstrate compliance with the EU standards (a condition for provision of every support). Potential beneficiaries need to propose a clear business plan, proving that the project is economically feasible. The business plan has to include elements of the technical specification of the project, a specification relating to compliance with hygiene and environmental protection conditions, organisation and utilisation of domestic production resources in plant production, as well as marketing possibilities in the domestic and foreign markets. Preference is given to projects that directly encourage the development of primary plant production.

Maximum share of budgetary funds amounts 30% of the project value.

Beneficiaries

Micro, small and medium enterprises meeting the criteria prescribed.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Investments in plant products processing	Support to investments in storage, packaging and processing of plant products	-	-	185,430	229,470	350,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Investments in storage, packing and processing of plant products	670	700	805	910	1015	1,120	4,550
<i>Share in funds of Axis I, %</i>	<i>15.8</i>	<i>14.8</i>	<i>14.7</i>	<i>14.7</i>	<i>14.7</i>	<i>14.7</i>	<i>14.7</i>

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of a tender.

Project selection is carried out based on objective criteria which are an integral part of the tender.

The support is provided based on evidence on investment made and the field report of the authorized inspectorate.

MEASURE I-7: INVESTMENTS IN PROCESSING ON FAMILY HOLDINGS

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Montenegrin rural areas have a long tradition in processing various animal and plant products at their own households. The products, such as cheese, meat products, different kinds of drinks and fruit and vegetable products represent an important part of the rural economy and they contribute to improvements in the economic position of family holdings. There is the potential to enrich the supply of local products and enhance both the employment of the rural workforce and the maintenance of rural infrastructure. These products also offer the possibility of adding value to agricultural production, especially when marketed through tourism.

Access to market and satisfying the needs of a modern consumer require adjustments of the volume and quality, particularly with regard to the hygiene standards of products, and harmonisation with the EU standards in the area of environmental protection and food safety. Investments in physical capital are needed, which would enable higher labour productivity, in development of technologies and in transfer of knowledge into production.

Objectives:

- improving the competitiveness of agricultural holdings;
- increase in added value of agricultural products through increase in efficiency in processing and marketing;
- introduction of new technologies and innovations and opening up of new market opportunities;
- improving product quality through compliance with the EU standards as regards food safety and environmental protection,
- preserving the production of traditional products,
- enrichment of tourism offer with specific and unusual products of high quality.

Measure description

Support is given for investments in processing animal and plant products, including collected products (medicinal herbs, mushrooms, forest fruit, etc.). Family agricultural holdings, engaged in processing as a supplementary occupation, are entitled to this support, as well as producers groups united for processing certain agricultural products (raw materials) from family holdings.

Investments in the processing and marketing of existing products, as well as in the development of new products, processes and technologies, are supported. All projects have to prove in entirety that they comply with the EU standards (requirement for every support) that apply to processing on agricultural holdings. The following are co-financed: supply of material, equipment and mechanisation; construction works for reconstruction of existing and building new facilities.

The support is given to investments not exceeding the prescribed maximum capacity and generating at least EUR 1000 of added value per annum. That criterion is checked based on a business plan which is an obligatory integral part of the application. The business plan has to include basic data on the holding, or producer organisation, as appropriate, elements of the technical specification of the project, a specification relating to compliance with hygiene and environmental protection conditions, use of their own production resources and supply of agricultural products.

Maximum share of budgetary funds amounts to 30% of the investment value. For holdings in less favoured areas or for young farmers, the support can amount up to 40% of the investment value; if both conditions are fulfilled, up to 50%.

Beneficiaries

Agricultural holdings engaged in supplementary activities of processing agricultural products, and producers' organisations fulfilling the criteria set.

Implementation in the period 2004 – 2008

There were no measures for support to investments in agricultural products processing in family holdings within the first Axis of the Rural Development Policy in the period 2004-2008. Support within this axis was introduced for the first time in the current year, 2009.

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Investments in processing in family holdings	70	70	153	235	318	400	1,175
<i>Share in funds of Axis I, %</i>	<i>1.7</i>	<i>1.5</i>	<i>2.8</i>	<i>3.8</i>	<i>4.6</i>	<i>5.2</i>	<i>3.8</i>

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

Measure is implemented on the basis of applications of potential beneficiaries.

Support is provided based on evidence on investment made and the field report of the authorized inspectorate.

MEASURE I-8: PRODUCERS ORGANIZATIONS

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Montenegro's agriculture is characterised by fragmented plots and a large number of small producers who sell smaller amounts of product at organised market, with the rest being directly sold or consumed within their respective households.

Jointly organized sale and/or processing could result in a much better utilized production potential and strengthening of market structure. All this would bring about, as a final result, an increase in competitiveness of agriculture. Producers' organisations can encourage other producers to produce for the market.

Objectives:

- support to farmers' initiatives for forming associations and co-operation in production and market activities;
- strengthening market infrastructure for agriculture;
- reducing production costs and increasing the value added of agricultural products.

Measure description

Support is given for establishing and operating of producers' organisations. Organized producers groups meeting legal requirements and registered with the Ministry of Agriculture are entitled to support. The support is given for the first five years from the day of establishing in the form of annual grants for covering costs of founding and administrative expenses of a producers' organisation operation. The fixed expenses include the adaptation of its members production to market conditions, costs of marketing of products, which involve preparation and organisation of sale; as well as the provision of common rules and information about production, quality and demand. The amount of the grant is determined as a percentage of agricultural products turnover in the market, made by one producers' organization and it amounts up to 5% in the first and second year, 4% in the third, 3% in the fourth and 2% in the fifth year.

Beneficiaries

Producers' organizations registered with the Ministry of Agriculture, Forestry and Water Management

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Producers' organizations	Support to reform of cooperatives and other forms of farmers' organizations	60,000	60,000	70,000	70,000	110,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Producers' organizations	145	165	182	198	215	231	990
Share in funds of Axis 1, %	3.4	3.5	3.3	3.2	3.1	3.0	3.2

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of applications of potential beneficiaries.

Records on turnover of products and services submitted by registered producers' organizations are the basis for calculation and paying out of support.

Rights exercised on the basis of turnover in the year n are paid out in the first half of the n+1 year.

MEASURE I-9: IMPROVING QUALITY OF PRODUCTS**Legal basis**

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Product quality is an important element of market success and competitiveness in agriculture. Private organisations develop their own market brand, to achieve recognition and greater success on the market.

It is possible to achieve greater efficiency through vertical integration of agricultural production and processing into single quality schemes. In this way, it is possible to guarantee a higher level of product traceability, which is becoming increasingly important from the consumers' viewpoint.

Important steps have been taken in Montenegro's agriculture and processing industry towards establishing of modern quality assurance systems, but more intensive efforts are needed to strengthen competitiveness. It is possible to achieve higher quality by guaranteeing additional elements, starting from different forms of protection of designations of origins and geographic indications to organic products. Those systems are under special official protection and supervision. High-quality products should be accompanied by appropriate advertising efforts. Information about high-quality of product could additionally attract consumers.

Montenegro has a significant production potential for high-quality products, but for the time being it is underutilised. Incentives for improving the quality of products and setting up of schemes for achieving higher standards, especially by connecting primary production with processing, can significantly increase the opportunities for marketing of agricultural and food products on the domestic market, especially through tourism.

Objectives:

- improving competitiveness of agriculture and processing;
- improving product quality;
- encouraging agricultural holdings to participate in quality schemes.

Measure description

Support is provided for:

- introduction of quality monitoring system and quality schemes;
- involving agricultural producers in registered quality schemes.

Support for introduction of the quality monitoring system and quality schemes refers to costs of introduction and certification of the HACCP Programme integrated with the quality management system and costs of introduction of quality schemes in cooperation between the primary production and processing related to product development, technology and marketing (preparatory works, including design, testing and all activities in the initial phase). Preference is given to traditional, specific and recognizable products, as well as organic products. Support is given in the form of co-financing on the basis of a proposed activity programme and it amounts up to 40% of total costs of introduction and certification.

Support to introduction of farmers into registered quality schemes refers to introduction of quality schemes at the holding level in connection with introduction of the standard and traceability, certification and participation in the scheme, and it is given for the first 5 years since introduction.

That support has the form of a standardized payment per holding and in 2009 it amounts to EUR 1200 for organic and EUR 600 for introduction in other quality schemes. As of 2010, the amount of support will be determined on the basis of objective criteria, depending on the quality scheme.

Beneficiaries

- Business operators engaged in the activities of production and processing of agricultural products, introducing various systems and quality schemes;
- Agricultural holdings included in registered quality schemes.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of Support, EUR				
		2004	2005	2006	2007	2008
Improving of product quality	Introduction of food quality and safety standards			120,000	140,000	200,000
	Program of organic agriculture development	60,000	56,191	60,000	80,000	75,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Improvement of product quality	241	248	272	297	322	347	1,485
Share in funds of Axis 1, %	5.7	5.2	5.0	4.8	4.7	4.6	4.8

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries. The method of support implementation is being gradually adjusted to the EU practice and requirements.

The basis for calculation and paying out of support are reports on implemented activities and records of certified bodies.

MEASURE I-10: PROMOTION AND INFORMATION ACTIVITIES

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)

- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

One of the characteristics of Montenegrin agriculture is that it offers a very diverse product range to the market, but in small series. Consumers often do not have enough information about the products, especially tourists who visit Montenegro and consumers abroad. On the other hand, small producers and the processing industry are not able to promote their products on their own.

The lack of economies of scale can be overcome through supported generic promotion, as well as by promoting certain market niches for specific products. Thus, it is necessary to continue providing targeted support and to intensify the work in promoting and advertising of Montenegrin products.

Objectives:

- strengthening competitiveness through promotion of Montenegrin agricultural products, in the country and abroad,
- establishing and strengthening links between tourism and agriculture.
- increasing consumer awareness of product quality.

Measure description

The measure is implemented through provision of support to different kinds of promotional campaigns: organisation of and participation in local and international fairs, exhibitions and other events, advertising through different communication channels, campaign Made in Montenegro, informative and educational activities for consumers.

The preference is given to promotional and informative activities under the registered quality schemes that highlight products' specific features with respect to their quality, production methodologies and their contribution to the reduction in harmful effects on the environment. The support is given in the form of co-financing on the basis of the submitted activity programme, and it amounts up to 50% of total value of the programme.

Beneficiaries

Persons engaged in production and processing of agricultural products, local communities, non-governmental organizations.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Promotional and informative activities	International, national and regional fairs, local events, educational and promotional campaigns	120,000	30,000	127,000	140,000	140,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 1: Measures of strengthening competitiveness of agriculture							
Promotional and informative activities	95	104	107	109	112	114	546
Share in funds of Axis I, %	2.2	2.2	2.0	1.8	1.6	1.5	1.8

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries and programmes submitted.

II) MEASURES FOR SUSTAINABLE NATURAL RESOURCES MANAGEMENT

MEASURE II-1: LESS FAVOURED AREAS

Legal basis

- Law on Agriculture and Rural Development of Montenegro (Official Gazette of Montenegro 56/09)

Reasons for implementation

Most of Montenegro's territory has very unfavourable conditions for agricultural production, especially in mountainous areas, as well as in karst areas. Altitude, relief and climatic conditions, along with low soil productivity and other natural limitations, increase costs and reduce incomes of agricultural holdings in these areas. Due to a less favourable economic position and lower competitiveness conditioned by natural limitations in these areas, the trend of decrease in utilisation of agricultural land has been more pronounced, and the danger of depopulation has increased. Abandoning of agricultural production has negative effects on the environment and on the landscape appearance.

Although there were attempts at supporting these areas through various measures, they have not been systematic due to lack of key records on soil and its characteristics. Definition of specific measures of support to less favoured areas requires development of territorial classification of areas by natural restrictions first. It is a very complex task and one of the priority tasks in implementation of the Agriculture Development Strategy, and it is important for the European integration, as well. Introduction of support prior to classification is not rational.

Digital records on use of agricultural land are necessary for implementation of support in the form of payment per hectare. Donor support should be provided pending the accession of Montenegro to the EU, for preparing implementation of this measure which is in full compliance with the EU requirements.

Objectives:

- sustainable user of agricultural land resources available in the less favoured areas;
- prevention of depopulation through preservation of agricultural holdings in these areas;
- protection and promotion of environment;
- increased production of specific Montenegrin products.

Measure description

The support is linked to territorial classification of areas according to natural restrictions to agricultural production. Criteria for classification into different less favoured areas are: altitude which significantly influences the duration of vegetation period, slope limiting use of mechanization, hardly accessible terrain and combination of these factors as well as other important natural restrictions (for example, soil fertility, climatic conditions, opportunities of land use).

The amount of support is determined on the basis of objective criteria and it covers additional costs and/or lost income of agricultural holdings in relation with production restrictions in a specific area. The support is given, as a rule, in the form of payment per hectare of utilized agricultural land, on the basis of official land records. In the transition period, i.e. pending the establishment of records, the support may be in the form of a payment per livestock unit. All breeds and categories of ruminants and horses, kept on a holding for at least 6 months are taken as a basis for calculation.

Note: The measure is introduced upon fulfilment of requirements for its full implementation, from 2013.

Beneficiaries

Agricultural holdings engaged in agricultural production in classified less favoured areas which bind themselves to continue with production for at least following 5 years.

Implementation in the period 2004 – 2008

There were no measures of support to less favoured areas within the second axis of the Rural Development Policy, in the period 2004-2008. According to the National Programme, the support will be introduced in 2013.

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 2: Measures for sustainable natural resources management							
Less favoured areas	0	0	0	0	0	3,733	3,733
Share in funds of Axis II, %	0	0	0	0	0	64.4	35.3

Implementation procedure

Ministry of Agriculture, Forestry and Water Management will be in charge of implementation of the measure.

The measure will be implemented on the basis of annual applications of potential beneficiaries. Content of application and method of implementation of the support will be gradually adjusted to the EU practice and requirements.

MEASURE II-2: PRESERVATION AND SUSTAINABLE USE OF GENETIC RESOURCES IN AGRICULTURE**Legal basis**

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Reasons for implementation

On a relatively small land surface, Montenegro is rich in animal and plant life – biodiversity. It also has a very rich plant and animal genetic resources in agriculture, as reflected in a large number of varieties and breeds, and in particular the autochthonous population of plants and animals used in food production. This fact imposes an obligation on the state to pay due attention to biodiversity in agriculture. Important steps have been taken in this direction: The National Programme for the Preservation of Genetic Resources in Agriculture (2009–2013) was adopted in 2007, followed by the Action Plan for its implementation. These documents bind Montenegro to harmonise the issues of preservation and sustainable use of genetic resources in plant production and livestock farming with international conventions and principles. The implementation of these documents requires adequate financial support from the national budget, which is, in the form of direct payments per hectare or per head, given to encourage agricultural holdings to maintain the genetic resources.

Objectives:

- preservation and sustainable use of endangered autochthonous and local breeds of livestock, as well as plant varieties endangered by genetic erosion;
- contribution to the overall preservation of biodiversity;
- increasing awareness of genetic resources as a national resource in Montenegro, and contribution to its affirmation as an ecological state;
- preservation and development of landscape.

Measure description

The support is given for livestock farming and plant production, in line with the Action Plan for preservation and sustainable use of genetic resources in agriculture. The support comprises:

- In livestock farming: rearing of the *buša* breed of cattle; the *zetska žuja*, *sora*, *pivska pramenka* and *ljaba* in sheep breeding; the domestic Balkan goat; domestic hilly horse, donkey;
- In plant production: growing autochthonous varieties of grape vine, fruit, field crops and vegetables and fodder crops.

The support is in the form of payments per head of livestock or per hectare of plants grown. In 2009, the support amounts to EUR 60 per livestock unit and EUR130 per ha.

As of 2010, the support will be established on the basis of objective criteria and it will cover additional costs and/or lost income of agricultural holdings due to keeping livestock of a certain breed and growing plants of a certain variety in accordance with the commitments undertaken.

Beneficiaries

Agricultural holdings which voluntarily accept to implement the commitments undertaken for at least 5 years.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Preservation of genetic resources in agriculture	Premiums for rearing the autochthonous breeds of livestock	-	-	-	23,000	25,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 2: Measures for sustainable natural resources management							
Preservation of genetic resources in agriculture	80	100	195	290	385	480	1,450
Share in funds of Axis II, %	12.8	15.0	19.2	21.2	22.4	8.3	13.7

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

Activities of implementation in the field are delegated from the Ministry to the Biotechnical Faculty, which follows the guidelines from the Action Plan for Implementation of the National Programme of Preservation and Sustainable Use of Genetic Resources in Agriculture (2009-2013). Following the completion of activities in the field, the Biotechnical Faculty presents the Ministry with a report containing a list of farmers who are eligible for support.

MEASURE II-3: ORGANIC AGRICULTURE

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Production systems in Montenegrin agriculture are largely extensive and can relatively and simply be included in a programme of limited use of protection products, fertilisers, and other conditions of super-standard technologies like organic production. This means that there is the great potential for an important part of agriculture to be adjusted to production technologies that enable the

sustainable use of agricultural land and hence the long-term protection of natural resources and the environment. Supporting these technologies that aim at achieving the environmental objectives can also contribute to an increase in production volume under the quality schemes, and thus meet the increasing domestic and foreign demand for environmentally acceptable products.

Objectives:

- sustainable management of natural resources;
- reducing negative impact of agriculture on environment;
- preservation of biodiversity;
- increasing the quality of agricultural products;
- contribution to promotion of Montenegro's status as an ecological state.

Measure description

The support is given for organic production in any agricultural segment. Producers need to observe the rules defined by legislation for any specific production system. The support is in the form of payment per hectare or per livestock unit and in 2009 it amounts to a maximum of EUR 120 per hectare for field crops, EUR 220 per hectare for vegetables and perennial plants, and EUR 40 per livestock unit.

From 2010, the amount of support is to be determined on the basis of objective criteria and it will cover the additional costs and/or lost incomes of agricultural holdings due to limitations regarding commitments undertaken.

Beneficiaries

Agricultural holdings which voluntarily accept to implement the commitments undertaken for the period of at least 5 years.

Implementation in the period 2004 – 2008

There were no measures for support to organic agricultural production within the second axis of the Rural Development Policy in the period 2004-2008. The support within this axis has been introduced for the first time in the current 2009.

Support from the national budget for the period 2009-2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 2: Measures for sustainable natural resources management							
Organic production	165	165	281	396	512	627	1,980
Share in funds of Axis II, %	26.4	24.8	27.7	29.0	29.8	10.8	18.7

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries. Contents of the application and method of implementation of support are gradually adjusted to the EU practice and requirements.

MEASURE II-4: SUSTAINABLE USE OF MOUNTAIN PASTURES

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of utilization of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro 13/09)

Reasons for implementation

Montenegro is very rich in mountain pastures that are traditionally used in extensive livestock farming (cattle, sheep and goats), for milk and meat production. These mountain pastures, including *katuni* (summer pastures), represent a special value that contributes to the preservation of biodiversity (specific flora and fauna, use of adapted local breeds) and has a special economic importance. That system enables the production of traditional products (different types of cheeses, *skorup* (cream made from skimmed cow and ewe milk) and other dairy products, lamb and other types of meat, etc.) that play an important role in the Montenegrin national cuisine. According to the available data, there are around 500 *katuni* in Montenegro, of which a great number is used even today, but with far smaller numbers of livestock.

Recently, the number of rural holdings rearing livestock in this way has been decreasing; this system of mountain-pasture utilisation is shrinking, with all negative consequences entailed. Preserving mountain pastures and transhumance are also very important from the viewpoint of preserving Montenegro's natural and cultural heritage.

Direct support per livestock unit transhumed to *katuni*, and using mountain pasture may encourage agricultural holdings to preserve and further develop that system of production.

Objective:

- preservation and rational utilisation of natural resources;
- sustainable management of agricultural land;
- environmental protection;
- preservation of biodiversity;
- preservation of natural and cultural heritage;
- preservation of traditional products.

Measure description

The support is given to the agricultural holdings practising transhumance for at least two months in a year.

The support is in the form of a payment per livestock unit. All categories of ruminants and horses are taken into account when calculating the amount of support. The minimum number eligible for support is 5 livestock units.

In 2009, the amount of support is EUR 20 per livestock unit, and from 2010 it is to be determined on the basis of objective criteria, and it will cover the additional costs and/or lost income of agricultural holdings due to maintenance of extensive production system.

Translation of livestock to livestock units, the amount of payment per unit as well as detailed requirements for support are determined by an annual decree on implementation of agricultural policy measures.

Beneficiaries

Agricultural holdings fulfilling the criteria and voluntarily accepting the obligations taken for a minimum of 5 years.

Implementation in the period 2004 – 2008

National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Sustainable use of mountain pastures	Program of use of mountainous pastures by transhumance (all breeds of ruminants and horses) to <i>katuni</i>	-	-	-	-	200,000

In 2008, when this type of support was introduced for the first time, 865 farmers who performed transhumance of 15,384 Livestock units during summer exercised the right to support.

Support from the national budget for the period 2009–2013 in EUR 000

11 Agriculture and rural development

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 2: Measures for sustainable management of natural resources							
Sustainable use of mountain pastures	380	400	540	680	820	960	3,400
Share in funds of Axis II, %	60.8	60.2	53.1	49.8	47.8	16.6	32.2

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries of Livestock Selection Service, which performs control in the field and submits the processed payment applications to the Ministry.

III) Measures for improving the quality of life and diversification of economic activities in rural areas

MEASURE III-1: DIVERSIFICATION OF ECONOMIC ACTIVITIES IN RURAL AREAS

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Reasons for implementation

Most of the rural population have very few income sources other than agriculture. In many areas, agricultural development has limited possibilities and on the other hand, there are a large number of unemployed or partially employed people who are seeking out alternative employment. Thus, the development of other economic (i.e., non-agricultural) activities among agricultural holdings and in forestry, as well as the development of different types of activities and services that are not closely connected with agriculture, could bear significant importance. Generally speaking, there is a great potential in tourism that is just partly utilised in rural areas.

Support to additional employment opportunities could halt the negative trends of depopulation and migration from rural villages at least in some areas. The diversification of activities in holdings is necessary for employment in and sustainable development of rural areas and it can be used to contribute to better balance regional development in economic and social sense.

Objectives:

- improve living conditions and quality of life in rural areas;
- increase income in agricultural holdings;
- increase employment in rural areas;
- halt depopulation;
- utilization of potential in tourism.

Measure description

Support is given to holders and members of the family agricultural holdings and other rural households that initiate non-agricultural activities. All investments that could potentially create new jobs in non-agricultural sector or those that modernise the existing non-agricultural activities are supported, which include the following:

- services (for example, direct sale of domestic products at the holding, offering accommodation and other rural tourism forms, social services);
- domestic handicrafts (e.g. production of local products made of wool, wood, ceramic, leather);

- trade in local agricultural and other products;
- other activities of importance to economic development in rural areas.

Support is in the form of co-financing of projects with complete or partial solutions. Reconstruction of existing and building of new facilities is supported, as well as supply of new equipment, and covering of costs of project preparation, promotions and marketing efforts. The application for support should contain a plan with activities and results, with elements of technical and economic specification of the project. The support amounts to a maximum of 30% of the total value of the project.

Beneficiaries

- Holders or members of family agricultural holdings.
- Entrepreneurs, co-operatives and other business operators starting business in rural areas.

Implementation in the period 2004 – 2008

There were no measures for support to diversification of economic activities in rural areas for the period 2004-2008. The support has been introduced in the current 2009 for the first time.

Support from the national budget for the period 2009-2013 in EUR 000

Measures	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	201	2011	2012	2013	
Axis 3: Measures for improving the quality of life and diversification of economic activities in rural areas							
Diversification of economic activities in rural areas	80	80	185	290	395	500	1,450
Share in funds of Axis III, %	7.4	4.5	9.6	13.9	17.6	20.8	13.9

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries.

The support is provided on the basis of evidence on investment made and a field report of the authorized inspectorate.

MEASURE III-2: RENEWAL AND DEVELOPMENT OF RURAL AREAS AND INFRASTRUCTURE DEVELOPMENT

Legal basis

- Law on Provision and Earmarking of Funds for Stimulating Agriculture Development (Official Gazette of the Federal Republic of Montenegro 11/90 and Official Gazette of the Republic of Montenegro 24/92)
- Law on Budget of Montenegro for 2009 (Official Gazette of Montenegro 82/08 and 31/09)
- Plan of use of funds for stimulating agriculture development in 2009 (Official Gazette of Montenegro, 13/09)

Reasons for implementation

Poor rural infrastructure (local roads, water and, in some regions, electricity supply) is characteristic of many rural areas in Montenegro, especially in remote, mountainous areas. This situation has a negative effect on economic and social status of rural areas and contributes to the depopulation of rural areas.

Halting this trend and accomplishing the sustainable development of rural areas is one of the most important challenges in Montenegro's overall development. The renewal and development of rural areas are not possible without the abundant support from budgetary funds.

Objectives:

- improving living conditions and quality of life in rural areas;
- establishing conditions for developing agriculture and for diversifying economic activities on both agricultural holdings and in rural areas in general.

Measure description

The support is given for the following:

- building local roads (to some specific or a group of holdings, access to summer mountain pastures);
- building water supply facilities in rural areas;
- building new and reconstruction of existing facilities that are of joint importance for local communities (schools, health centres, veterinary surgeries, culture centres, religious establishments, electricity and telephone network, post offices, green and livestock markets, etc.);
- solving local environmental protection issues;
- organising tourism and other events, projects of maintenance and use of natural and cultural heritage that contribute to village development..

The support is in the form of co-financing of projects. The application for support should include a project description, with anticipated results and specification of costs with elements of technical specification. The support amounts to maximum 50% of project value.

Beneficiaries

Villages, parts and groups of villages, local communities, business entities in rural areas.

Implementation in the period 2004 – 2008

A) National budget

Measure	Components	Amount of support, EUR				
		2004	2005	2006	2007	2008
Renewal and development of rural areas and infrastructure development	Basic rural infrastructure (construction, asphaltting and cleaning of rural roads, construction of water-supply facilities etc.)	700,000	500,000	600,000	800,000	800,000
	Basic rural infrastructure – co-financing of donor support	63,736	89,231	136,889	188,20	253,000
	Support for work of elementary schools in rural areas					100,000

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agrobudget 2009.	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 3: Measures for improvement of life quality and diversification of economic activities in rural areas							
Renewal and development of rural areas and infrastructure development	1,000	1,700	1,750	1,800	1,850	1,900	9,000
Share in funds of Axis III, %	92.6	95.5	90.4	86.1	82.4	79.2	86.1

National programme envisages donor support (IPARD) for building of rural infrastructure, according to the following plan (EUR 000):

:

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Total</u>
350	1,050	1,750	3,150

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries. The method of implementation of support is gradually adjusted to the EU practice and requirements.

Project selection is performed by the Ministry Commissions on the basis of objective criteria.

Measure IV-1: Leader projects

Legal basis

- Law on Agriculture and Rural Development of Montenegro (Official Gazette of Montenegro 56/09)

Reasons for implementation

One of the reasons for underdevelopment of rural areas in Montenegro is the lack of initiatives from the population for solving important issues in rural areas. Organizing of rural population to develop ideas and create local economic strategies can to a large extent contribute to changes. Such organizing, and thereby sustainable development of Montenegrin rural areas, can be supported through implementation of integrative and innovative strategies of rural stakeholders through the European leader approach.

Leader approach encompasses the following elements:

- local developmental strategies within the recognizable smaller territorial units;
- local public-private partnership in the form of local action groups (LAG);
- bottom-up approach with the possibility of LAG to decide on implementation of the local developmental strategies;
- multi-sectoral approach and implementation of strategies based on interaction of activities and projects of local economy;
- implementation of projects having an innovative approach;
- connection of LAG into cooperation projects;
- creating a network of local action groups.

LAGs prepare and implement the local developmental strategies. Montenegro does not have a lot of experience with that approach, although some donation projects of the USA had elements of leader approach. An increase in initiatives of local communities is evident (municipalities), that they form their developmental strategies. Municipalities are therefore, the most favourable structure for implementation of the LEADER approach in Montenegro.

Objectives:

- improvement of living conditions and life quality in rural areas;
- increase in capacity for developmental initiatives of local rural population;
- increase in competitiveness of rural areas.

Measure description

Support is given for establishment of local action groups and their activities regarding preparation of local developmental strategies and their implementation.

The following are co-financed:

- studies on the condition of specific rural areas, covered by the LAG;
- preparation of local developmental strategies;
- informative activities in the area of local developmental strategies;
- training and preparation of implementation of local developmental strategies;
- promotional activities;
- training of leaders involved in projects.

Local developmental strategies incorporate measures from the list of measures of rural development by this programme. An application for support should contain the plan of activities and specification of costs. The support amounts up to maximum 50% of total value of the project.

Note: The measure is introduced upon creation of conditions for its full implementation, from 2011.

Beneficiaries

Municipalities which establish the local action groups, as well as other forms of organizing of local population.

Implementation in the period 2004 – 2008

There was no support for the leader projects in the past.

Support from the national budget for the period 2009–2013 in EUR 000

Measure	Agro budget 2009	NP – Budgetary plan					Total 2009-2013
		2009	2010	2011	2012	2013	
Axis 3: Measures for improvement of life quality and diversification of economic activities in rural areas							
Axis 4: Leader projects	0	0	8	22	38	68	

National Programme for Food Production and Rural Areas Development envisages donor support (IPARD) to leader projects, according to the following plan (EUR 000):

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Total</u>
30	90	150	270

Implementation procedure

Ministry of Agriculture, Forestry and Water Management is in charge of implementation of the measure.

The measure is implemented on the basis of annual applications of potential beneficiaries, or on the basis of a tender. The method of implementation of support is gradually adjusted with the EU practice and requirements. Project selection is carried out on the basis of objective criteria.

IV. QUALITY POLICY

16. Please indicate whether a clear domestic policy, with related instruments, exists for recognition and protection of geographical indications and traditional names for agricultural products and foodstuffs. If so describe the instruments for registration and protection.

Law on Indications of Geographical Origin (Official Gazette of Montenegro 48/08) regulates the method of acquiring, legal protection of and exercising the rights of using the Indications of geographical origin. Indications of geographical origin are appellation of origin and geographical indications and they are used to denote natural, agricultural and industrial products, cottage industry product and services. The procedure for acquiring the legal protection for the indications designations of geographical origin is implemented at the Intellectual Property Rights Office.

Appellation of origin is defined as a geographic name of the country, region, or specific place which serves to describe the product originating in that country, region or specific place, whose quality and characteristics are exclusively or essentially due to a particular geographic environment, with its inherent natural and human factors and whose production, processing and preparation is entirely carried out in the defined area. Appellation of origin may also denote a product where raw material for its production originates from an area larger than or different from the processing area, provided that the production area of the raw material is defined and that special conditions for the control of raw material exist, as well as a control system which will ensure adherence of the special conditions for raw material production. The raw material, in that case, may only be live animals, meat and milk.

Geographical indication is defined as an indication identifying certain goods as goods originating in the territory of a country, region or specific place on that territory, where a specific quality, reputation or other characteristics of the goods can essentially be attributed to its geographic origin.

The procedure for registration of an appellation of origin or a geographical indication is initiated by submitting an application for an appellation of origin or geographical indication, as appropriate. Apart from natural and legal persons that, in a certain area, produce the product for which registration of an appellation of origin or geographical indication is sought, the application may also be submitted by business associations, consumer associations, local administration bodies, persons interested in protecting the appellation of origin or geographical indication. Foreign natural or legal persons and foreign associations, too, may apply provided that the appellation of origin or geographical indication is acknowledged in the country of origin, where it arises from the international treaties.

The important parts of the application for the designation of origin or geographical indication are the following:

Application for registration of the appellation of origin or geographical indication; a description of the geographic area and data on specific characteristics of the product. The description of the geographic area contains information on geographic area that the product originates from and includes a more precise definition of administrative border lines of that area, a geographic map of the area and the information on geographic and human factors causing specific characteristics, quality or reputation of the product in question. The information on specific characteristics of the product, in case of application for a geographical indication, contains a description of the method of producing the product, precise indication of specific characteristics or quality of the product, including the information on the acquired reputation, provisions stipulating who has the right to use geographical indications and under what conditions, as well as the provisions on the rights and obligations of the geographical indications users.

In case of the appellation of origin, information on the specific characteristics of the product is submitted in the form of a study that should include a description of the production method and procedure, information on specific properties and quality of the product, evidence of the quality

control check of the product carried out by an authorised organisation, as well as provisions on the method of marking the product and the rights and obligations of the appellation of origin users.

Checking of the application and examination of compliance with the conditions for registration is laid down by law.

In the procedure of examining the conditions for the registration of an appellation of origin or geographical indication, as appropriate, the Ministry of Agriculture gives opinion on the compliance with the conditions for agricultural products.

If the conditions for the registration of the appellation of origin, or the geographical indication, as appropriate, as prescribed by the law are complied with, the Intellectual Property Rights Office issues a decision on registration of the appellation of origin and enters it into the appellation of Origin Register, or Geographical Indications Register, as appropriate.

Registered appellation of origin or geographical indication may be used only by persons with the recognized status of authorised users of that appellation of origin or that geographical indication, as appropriate, who are registered into the appropriate register. The procedure for recognition of the status of authorised user of the appellation of origin or geographical indication, as appropriate, is initiated by an application for the recognition of the status of authorised user of the appellation of origin or geographical indication, as appropriate. The application may be submitted by natural or legal persons producing in a defined geographic area a product denoted by the name of that particular geographic area, as well as associations of those natural or legal persons.

The Rulebook on the procedure for the recognition of the indications of geographical origin and recognition of the authorised user of the indications of geographical origin (Official Gazette of Montenegro 27/09) regulates: the content and the method of keeping the Register of Applications for appellation of origin, Register of Applications for geographical indications, Register of Applications for the recognition of the status of the authorised users of appellation of origin, Register of Applications for the recognition of the status of the authorised users of geographical indications, Appellation of Origin Register, Geographical Indications Register, Register of the Authorised Users of appellation of origin, Register of Authorised Users of geographical indications, the content of the application for the international registration of the indications of geographical origin, and processing of the application by the competent authority; the content of the application for the recognition, or for extending the status of the authorised user of the appellation of origin or geographical indication, as appropriate; the content of the document on the status of the authorised user of the appellation of origin or geographical indication, as appropriate.

Provisions of this law do not apply to wine, since the Law on Wine (Official Gazette of the Republic of Montenegro 36/07) governs, among other things, labelling and geographical origin of wine, Law on Spirit Drinks which was adopted in the form of a proposal by Government governs also geographical indications of spirit drink, so the provisions of the Law on Indications of Geographical Origin (Official Gazette of Montenegro 48/08) shall not apply to spirit drink

The Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09) for the first time defines a "Traditional product guaranteed". According to this law, an agricultural product or food may be labelled by "traditional products guaranteed" if it complies with the proscribed conditions in respect of the composition, production and processing method for specific agricultural product or food with guaranteed tradition. The law provides the basis for adoption of a rulebook on traditional products and food guaranteed, which shall lay down more detailed requirements with regard to using the label "traditional product guaranteed", method of control, the appearance of the label as well as the way of keeping the Register of producers and traditional products guaranteed. For certain agricultural products or food, more detailed conditions with regard to composition, production and processing method will be laid down by a rulebook.

17. Please detail any other quality schemes in existence with regard to product origin or other quality characteristics.

The Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09) governs, among other things, the quality of agricultural products. The law defines "a higher quality product", "an integrated agricultural product" and "an organic agriculture product".

Agricultural products and food of higher quality means agricultural products and food that differ from the same agricultural products and food and their minimum quality by their specific characteristics.

Agricultural products or food from integrated agriculture means products produced by methods and procedures of the integrated agricultural production.

The Law provides a legal framework for issuing a rulebook which shall regulate in more detail the requirements for agricultural products of higher quality, methods of control and the label "higher quality" as well as of the rulebook on more detailed requirements for integrated agriculture, production or processing, method of control and the mark of integrated agriculture product, as well as keeping the records on producers and products of integrated agriculture.

Agricultural product or food from organic agriculture means products or food produced by organic agriculture methods. Production of agricultural products and food by organic agriculture methods and their marking is regulated by the Law on Organic Agriculture (see the answer to the part **V**, **question 18**, legal basis, the objectives and general description of the legislation, the description of how the management is organized and program implementation).

V. ORGANIC FARMING

18. Please provide information on the existing schemes and the arrangements for its administration and enforcement including

Production of agricultural products in organic farming, production control, processing, transport, storing, issuing certificates, labelling organic products, supervision and other questions significant for the organic farming is regulated by the Law on Organic Agriculture (Official Gazette of Montenegro 49/04). Certain aspects of organic production are regulated by secondary legislation.

- legislative basis (name and reference of relevant legal act);

Legal basis

- Law on Organic Agriculture (Official Gazette of Montenegro 49/04)
- Rulebook on more detailed requirements that need to be met by a person performing control of organic agriculture (Official Gazette of Montenegro 36/05)
- Rulebook on methods of organic plant production and collecting wild fruits and medicinal herbs (Official Gazette of Montenegro 38/05)
- Rulebook on methods of organic livestock production (Official Gazette of Montenegro 38/05)
- Rulebook on processing, transport and storing of organic agricultural products (Official Gazette of Montenegro 38/05)
- Rulebook on the form and content of the Application form for Inclusion of producers in organic agriculture and entry in the Organic Farmers Register (Official Gazette of Montenegro 52/2005)
- Rulebook on the contents of the records on the method of implementation of organic production methods (Official Gazette of Montenegro 52/05)
- Rulebook on the contents and method of keeping the Organic Farmers Register (Official Gazette of Montenegro 52/05)
- Rulebook on the form and content of the mark, marking method and the form of the logo for organic agricultural products (Official Gazette of Montenegro 31/07)
- Rulebook on the form and contents of the certification form for organic agricultural products (Official Gazette of Montenegro 31/07)
- Instructions for the procedure of issuing the approval for hiring a foreign legal person for the control and certification of organic agricultural products (Official Gazette of Montenegro 82/05 and 26/07).
- Law on Provision and Earmarking the Funds for Stimulating Agricultural Development (Official Gazette of Serbia and Montenegro 11/90 and Official Gazette of Montenegro 24/92).
- Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09)

- objectives and general description of the legislation;

The objectives are the following:

- Sustainable management of natural resources;
- Reduction of negative effects of agriculture on the environment;
- Preservation of biodiversity;
- Improving the quality of agricultural products;

- Consumers protection.

General description of the legislation

The Law on Organic Agriculture (Official Gazette of Montenegro 49/04) regulates the production of agricultural products in organic agriculture, their processing, marking, packing, storing and transport, as well as other issues of relevance for organic agriculture. The provisions of this law apply to: unprocessed products of plant and animal origin, processed plant and livestock products intended for human consumption, i.e. foodstuffs, prepared from one or more ingredients of plant or animal origin, feed and feed components.

The law proscribes the conditions for setting up organic agriculture, the procedure of registering the producers, control and certification in organic agriculture. Furthermore, the requirements are set for imports of organic agricultural products and the prescribed supervision over the implementation of the law for the purpose of its consistent application.

Agricultural Inspectorate carries out supervision over the implementation of the law and the provisions adopted on the basis of this law.

Rulebook on more detailed requirements to be met by a person performing control of organic agriculture (Official Gazette of Montenegro 36/05) prescribes in more detail the requirements that a legal person should comply with in order to acquire the authorization for performing the activities of establishing the compliance with the requirements for setting up of organic agriculture, control over the application of methods of organic agriculture and issuing certificates for products obtained by the methods of organic agriculture.

Rulebook on the methods of organic plant production and collecting wild fruits and medicinal herbs (Official Gazette of Montenegro 38/05) prescribes the minimum of requirements that must be complied with by a production unit for setting up organic agriculture and methods of organic plant production laying down: the selection of species and varieties of plants, crop rotation, soil cultivation, fertilization products and method, the system of maintaining soil fertility, method of control of plant diseases, pests and weeds, as well as the place, time and the method of collecting wild fruits and medicinal herbs.

Rulebook on the methods of organic livestock production (Official Gazette of Montenegro 38/05) prescribes the methods of organic livestock production, laying down the selection of species and breeds of animals, method of breeding, nutrition and animal health protection, as well as the procedure with animals that are purchased from other production units.

Rulebook on processing, transport and storing of organic agriculture products (Official Gazette of Montenegro 38/05) prescribes technological procedures in processing of products obtained by the methods of organic production (hereinafter referred to as: organic products), permitted ingredients of agricultural and non-agricultural origin, use of additives, and the method and conditions of storing and transport of organic products intended for human or animal consumption, except for wine.

Rulebook on the form and content of the application form for the inclusion of the producers into organic agriculture and entry in the Organic Farmers Register (Official Gazette of Montenegro 52/05) lays down the form and content of the application form for the inclusion of producers in organic agriculture and entry in the Organic Farmers Register.

Rulebook on the content of the records on the method of implementation of organic production methods (Official Gazette of Montenegro 52/05) prescribes the content of the records of implementation of organic production methods.

Rulebook on the content and method of keeping the Organic Farmers Register (Official Gazette of Montenegro 52/05) lays down the content and the method of keeping the Organic Farmers Register.

Rulebook on the form and content of the mark, marking method and the form of the logo for the organic agriculture products (Official Gazette of Montenegro 31/07) prescribes the form and content of the mark for the organic product, marking method, the form and the content of the logo for the organic agriculture products.

Rulebook on the form and content of the certification form for the organic products (Official Gazette of Montenegro 31/07) prescribes the form and content of the certificate for the organic agriculture products.

The instructions for the procedure of issuing approval for hiring a foreign legal person for the control and certification of organic agriculture products (Official Gazette of Montenegro 82/05 and 26/07) regulates in more detail the procedure of issuing the approval to a foreign legal person for carrying out the activities of establishing the compliance with the requirements for setting up organic agriculture, control of implementation of organic agriculture methods and issuing of certificates for the products obtained by the methods of organic agriculture.

Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09) regulates the development of agriculture and rural areas, objectives and measures of agricultural policy, incentives in agriculture and eligibility criteria, rights and responsibilities of the incentive beneficiaries supplementary activities in agriculture, organizations in agriculture, as well as other issues of relevance for the development of agriculture and rural areas.

Agricultural policy measures include market-price policy, rural development policy, activities of public interest and social transfers to agricultural holdings.

Rural development take the most important place in agricultural policy, which are carried out through four basic groups or axes. The second group includes measures for sustainable management of resources: stimulating the development of less favoured areas; support to programs in agriculture harmonized with the environmental protection principles – agro-environmental measures; programs of agro-forestry. Organic and integrated agriculture have a special place in the set of agro-environmental measures.

Pending the adoption of the Law on Agriculture and Rural Development (Official Gazette of Montenegro 56/09), the legal basis for incentives in the field of agriculture so far has been defined by the Law on Provision and Earmarking the Funds for Stimulating Agricultural Development (Official Gazette of Serbia and Montenegro 11/90 and Official Gazette of Montenegro 24/92).

- approximated or not to EU legislation (or degree of approximation);

Council Regulation No 2092/91 constituted the basis for drawing up the Law on Organic Agriculture and the Rulebooks regulating certain aspects of organic agriculture.

The law and the accompanying rulebooks have partially been approximated with the provisions of EU (**Council Regulation (EC) No 834/2007** of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91; **Commission Regulation (EC) No 889/2008** of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control; **Commission Regulation (EC) No 1235/2008** of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries).

The approximation of the existing legislation with the EU provisions for organic agriculture will begin in 2010.

- details of the support provided;

Incentives in agriculture and rural development are adopted on a yearly basis and implemented through the Plan of Use of Funds for Stimulating Agricultural Development, or Agro-budget, prepared by the Ministry.

The funds are earmarked for the organic agriculture development within the scope of measures for rural development. The producers registered in the Organic Farmers Register are eligible for use the funds from the Agro-budget.

Till 2009, the Organic Farming Development Program comprised the following components:

- Support to the producers in adjusting the technology to the demands of organic production (up to EUR3 000);
- Participation in certification costs (up to 50% of the total value of the project);
- Building the capacity for organic agriculture development, education and promotional activities.

The support had been earmarked on the basis of the program of activities proposed and the report of the Certification Body on the control carried out, which was submitted to the Ministry by a potential beneficiary, together with an application form.

Funds earmarked

Year	2006	2007	2008
Total (€)	120 000	150 000	165 000

In 2009, the support to the organic agriculture (measures for sustainable management of the natural resources) has been carried out in the form of direct payments and they are given for the organic production in any segment of agriculture.

The support has the form of direct payment per hectare or per livestock unit and it is as follows:

Payment in plant production:

- For field crops and cultivation of medicinal herbs – up to 120 EUR/ha,
- For vegetables, perennial crops as well as for seed material and seedlings – up to 220 EUR/ha.

Payment in livestock production:

- Per livestock unit – 40 EUR,
- Per poultry unit – 2 EUR,
- Per beehive – 20 EUR.

The specified amounts of support are added to the basic payments from the measures of direct support to livestock and plant production.

The amount of 165 000 EUR was earmarked for this type of support by the Agro-budget for 2009.

The measure is implemented on the basis of the annual applications from the potential beneficiaries, and the basis for payment of support are the reports and records of the Certification Body.

Apart from this type of support, the support is also given for inclusion of farmers in organic agriculture with the aim of improving the product quality through the measures of increasing competitiveness of agriculture. The support refers to the certification costs and is given for the first five years from the moment of inclusion in the organic farming.

It has the form of standardised payments and it amounts to EUR1 200 in 2009.

The amount of EUR 40 000 was earmarked for these purposes by the Agro-budget for 2009.

The measure is implemented on the basis of annual applications of the potential beneficiaries, and the grounds for the payment are the records and reports of the Certification Bodies.

Supervision over the implementation of the program is carried out by the Agricultural Inspectorate.

- description of administrative and enforcement arrangements (including resources, human, financial, and infrastructure, and if possible the administrative organigramme).

The Ministry of Agriculture, Forestry and Water Management makes and implements the policy in the field of organic agriculture.

The Ministry:

- Issues authorisation to the legal person for performing the activities of establishing the compliance with the requirements for setting up organic agriculture, control of implementation of the methods of organic agriculture and issuing of certificates for products obtained by the methods of organic agriculture;
- Issues the approval for hiring a foreign legal person for performing the control and certification of organic products;
- keeps the Organic Farmers Register;
- Keeps the records on the number of marks issued for organic products;
- adopts and implements the organic agriculture support program

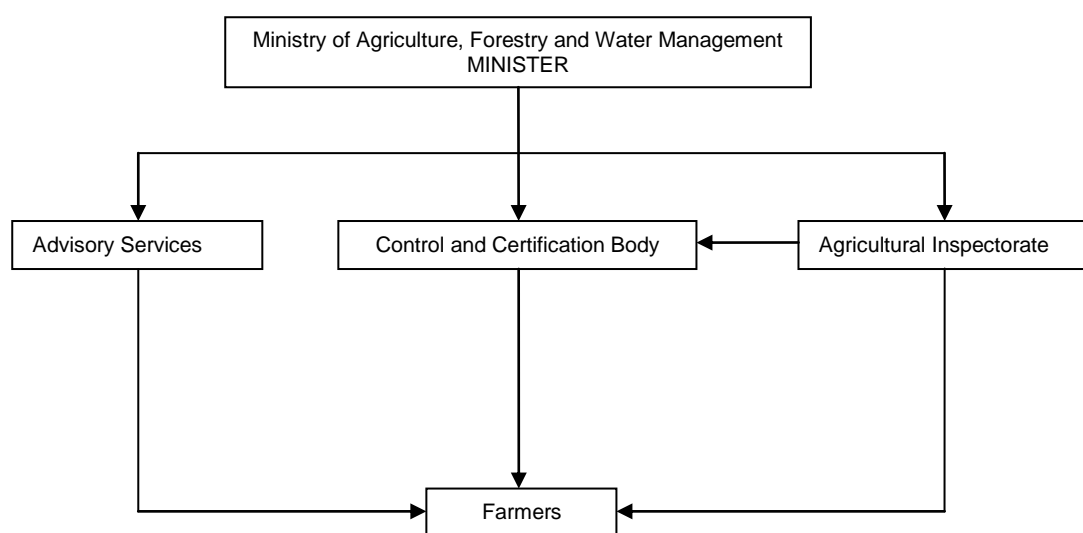
Currently, one employee performs the activities in the field of organic agriculture in the Ministry of Agriculture, Forestry and Water Management (Sector of Agriculture, Department for Agriculture).

The activities of establishing the compliance with the requirements for setting up of organic agriculture, control of implementation of methods of organic agriculture and issuing certificates for the products obtained by the methods of organic agriculture are carried out by a legal person "MONTEORGANICA"

Extension Service for Plant Production and Livestock Selection Service provide the farmers with support in the field by giving professional advice, recommendations and instructions. The services also participate in implementation of the international projects. The implementation of the project "Organic Agriculture in Montenegro – Concerted Support for Small-scale Growers in Organic Agriculture", whose overall objective is to support rural development through strengthening of the institutional framework and building the capacity for organic agriculture started in 2008 in cooperation with the Food and Agriculture Organization UN – FAO. On one hand, the project will strengthen the capacity of advisory services to provide adequate advice and ensure compliance with the organic agriculture procedures and on the other hand, it will train the selected farmers in specific areas of significance for organic production, processing and marketing. The activities on capacity building of the advisory services are continued through the support from the Government of Denmark which is being implemented as a development program under the name of "Organic Agriculture Development Programme", for the period 2009 – 2011. The programme will contribute to having the comparative advantages of Montenegro used for establishing of the market oriented sector of organic agriculture with the necessary professional staff at all levels through the component of the institutional development (training of advisors and support to developing the association of producers) and through the component of competitiveness (establishing the grant for investing in organic production).

Agricultural Inspectorate carries out the supervision over the implementation of the Law on Organic Agriculture and the regulations adopted on the basis of this law, as well as the supervision over the implementation of the program of support to organic agriculture.

Financial means for the work of the employee–advisor for organic agriculture in the Ministry of Agriculture, and for the agricultural inspectors are earmarked in the Budget of Montenegro. The Extension Service for Plant Production and the Livestock Selection Service are financed from the agro-budget of the Ministry of Agriculture, Forestry and Water Management. Financing is based on annual activity plans and reports approved by the Ministry.



19. Please describe the national accreditation and certification system for organic farming including the control system in place as well as its relevance for import/export (e.g. EU list of third countries).

According to the Law on Organic Agriculture (Official Gazette of Montenegro 49/04), establishing of the compliance with the requirements for setting up of organic agriculture, control of the implementation of methods of organic agriculture, and issuing of certificates for the products obtained by the methods of organic agriculture is carried out by a legal person authorised by the Ministry of Agriculture, Forestry and Water Management.

The conditions that a legal person should comply with for performing the activities of control and certification in organic agriculture are prescribed by the Rulebook on more detailed requirements to be met by a person for performing the control of the organic agriculture (Official Gazette of Montenegro 36/05).

So far, one legal person ("Monteorganica") has been authorised for the activities of control and certification in organic agriculture.

Certification Body "Monteorganica" is in the process of preparation (drawing up of the procedures and other internal documentation) for submitting the application for accreditation at the Accreditation Body of Montenegro according to the standard MEST EN 45011:2004, (General requirements for bodies operating product certification systems (ISO/IEC Guide 65:1996))

Pursuant to the Instruction on the procedure of issuing the approval for hiring a foreign legal person for the control and certification of the organic agriculture products (Official Gazette of Montenegro 82/05 and 26/07) the approval was issued for two foreign legal persons (BCS Öko-Garantie GmbH, Germany; Organic Control System, Serbia) for performing the activities of establishing the compliance with the conditions for setting up the organic agriculture, control of implementation of the methods of organic agriculture and issuing the certificates for the products obtained by the methods of organic farming.

Montenegro is not in the EU list of the third countries.

CERTIFICATION PROCESS DESCRIPTION

PRINCIPLES

Certification process in all segments is carried out professionally, objectively and without discrimination.

FAMILIARISING WITH THE PROCESS OF CONTROL AND CERTIFICATION

The interested farmers get the information on the process of certification in organic agriculture directly in an interview at the premises of the certification body or on the web page www.orgcg.org/org.

APPLYING FOR CERTIFICATION

If an interested producer decides to take up the organic agriculture, he/she fills in the required documents from the application set (provided by the certification body) and he/she signs the Agreement on Control and Certification with the Certification Body.

The documents submitted by the producer are checked and initial control is organized.

CONTROL

In order to perform the control, selection and appointing of controllers is carried out taking care of the qualifications of the controllers for performing the control, availability of controllers and possible conflict of interest. People who perform the control do not take part in deciding on the certification.

Compliance with the conditions for setting up of organic agriculture is assessed by the initial control. The general situation on the farm is checked by that control: examination of the soil, disposal of manure, storage facilities, documentation etc, and process of manufacture/processing, processing capacities, inputs used, facilities, records on manufacture, registration, in order to establish the compliance with the requirements for organic agriculture. The information collected in the field is entered into the Report on control.

At the end of the report there is a chapter on the identified discrepancies with the certification criteria, which are presented to the farmer. The producer approves of the control results with his/her signature.

The report signed by the controller and the producer is then submitted to the Certification Body for adoption.

CERTIFICATION DECISION

Approving of the Certification

On the basis of the approved Control Report and other documentation of relevance for the certification process and in accordance to the Law on Organic Agriculture and the accompanying Rulebooks, as well as the internal procedures of the Certification Body, a decision on certification is issued, i.e. the producer is given the status of certification, more precisely, the conversion period. The producer is informed of the status of organic farming given i.e. of the duration of the conversion period, then of the non-compliance (if established) corrective measures the producer is obliged to implement and the deadlines for eliminating the indicated non-compliance.

The producer submits the copy of the Report on Control and Certification to the Ministry of Agriculture, Forestry and Water Management in order to be entered in the Organic Farmers Register.

Notification on non-compliance

In case non-compliance of production with the criteria prescribed is identified, the producer is notified that the certification is approved provided that corrective measures are applied within the set deadline in order to eliminate the indicated non-compliance. Efficiency of the implemented corrective measures is checked by additional control.

Rejection of Certification

Certification is rejected if systemic non-compliance with the criteria for certification are established during the control and if the producer failed to implement the corrective measures efficiently within the deadline set.

Issuing the Certification

The producer who entered the process of certification is entitled to a certificate only after the expiration of the conversion period during which he is obliged to implement the methods of organic agricultural production (the duration of the conversion period is defined by the Law on Organic Agriculture and the accompanying Rulebooks).

During the conversion period supervision controls are carried out with the aim of checking the implementation of the methods of organic agricultural production. If it is established by the supervision controls that the producer complies with the criteria for the certification, the Certification Body issues the Certificate to the abovementioned producer. The producer is also informed that by acquiring the certificate he/she becomes entitled to using the logo of the Certification Body and logo of the Montenegrin Organic Agriculture. The farmer shall refer to the certificate, logo of the Certification Body and logo of the Montenegrin Organic Agriculture according to the prescribed rules of the Certification Body and in compliance with the Rulebook on the form and content of the mar, marking method and the form of the logo for products of the organic agriculture (Official Gazette of Montenegro 31/07).

The certificate contains the following data:

- Logo of the Organic Agriculture of Montenegro in the upper right corner;
- Name, address and the logo of the authorised legal person (Certification Body);
- Name of the farmer to whom the certificate is awarded;
- Residence or the address of the producer;
- Number of the Certificate of the farmer \ (the code of the producer and the ordinal number of the issued certificate);
- Type and status of production;
- Name and quantity of a product for which the certificate is issued;
- Validity period for the certificate;
- Date of issuing the certificate;
- Name and surname of the authorised person and the seal of the Certification Body;
- The number of the decision issuing the work permit to the authorised legal person.

The form and content of the certificate is prescribed by the Rulebook on the form and content of the form of the certificate for the organic agriculture products (Official Gazette of Montenegro 31/07).

Exceptional cases of certificate withdrawal

The certificate may be withdrawn immediately or after a certain period of time in the following circumstances:

- Termination of the contract by the Certification Body or the producer,
- Non-acceptance of the certificate by the competent authorities,
- Refusal of the control,
- Refusal to provide the necessary information,
- Attempt of fraud, giving false information,
- Identifying other systemic non-compliance with the certification criteria.

The certifications are valid for the period of 12 months from the date of issuing.

SUPERVISION

Supervising controls of the producers, who are in the process of certification, are carried out with the aim of checking whether the methods of organic agriculture are continuously implemented, i.e. in order to obtain the information on the certification system stability. The producers are obliged to keep records of all the activities in the organic production. Regular controls of all the producers in the process of certification are performed at least once a year. Along with the regular controls, extraordinary controls are also performed. Controls, whether regular or extraordinary may be announced to the producer in advance, but they can also be unannounced, i.e. without the notification of the farmer on the control visit.

The sampling, planned on a yearly basis (3 – 5% out of the total number of the registered producers) also falls within the supervision of the producers. The sampling is carried out in case use of unauthorised inputs during the production process is suspected.

Where non-compliance is established during the supervisory controls the procedure, as described in the subtitle **Notification on the Discrepancies**, is implemented.

CHANGES IN THE CERTIFICATION SYSTEM

The producers are obliged to be in continuous communication with the Certification Body. For the following production year they are obliged to submit the information on the changes in the production process made in comparison to the previous production year. In case any changes in the production process are made, the producer is obliged to inform the Certification Body which will establish, through a control, the effect of the given change on the certification system stability.

The result of the given changes and their verification during the supervisory controls may be the following:

- Certification Renewal,
- Narrowing the field of certification,
- Expanding the field of certification,
- Suspension of certification,
- Certification Revocation.

SANCTIONS

In cases when the controlled production is not fully in compliance with the prescribed certification criteria, an adequate policy of sanctions is implemented depending on the degree of derogation from the criteria set (non-compliance).

Whenever possible, before imposing the sanctions, the producer is ordered to implement the corrective measures within the set deadlines in order to eliminate the non-compliances identified. If the corrective measures are not efficiently implemented within the prescribed deadlines, appropriate sanctions are imposed.

OBJECTIONS AND APPEALS

Organic farmers have the right to appeal and object to all the activities and decisions rendered by the Certification Body during the process of certification and which are unfavourable to their status. The producer is informed of his/her right to appeal and object in the Contract on the Control and Certification which is signed with the Certification Body.

The Certification Body Director submits, at least once a year, the report on the work of the Certification Committee whose role is to:

- Check and verify the achieved results of the quality policy,
- Monitor the results of quality system appraisal on the basis of the annual report,
- Confirm the certification scheme and sanctioning system,
- Examine the internal documents intended for performing the control and certification,
- Examine the explanations of requirements and procedures of certifying proposed by the Certification Body Management or members of the Committee,
- Decide upon appeals to decisions rendered by the Certification Body Director
- Note the termination of the contract with the producers and the causes for the termination of the contract.

The Certification Body submits a quarterly report on its work to the Ministry of Agriculture, Forestry and Water Management, and at the end of the year, it submits an annual report with the working plan of the Certification Body for the following year.

20. Please describe the sector and its organisation (e.g. importance of cooperatives) with statistical data including farm structure, production, trade (export/import).

The first organic farmers were registered in 2007 and there were 13 of them.

In 2008, 26 farmers were included in the control and certification process in organic agriculture out of which: 21 farmers for primary agricultural production, 1 farmer for processing and 4 farmers for primary agricultural production and processing.

Three associations of farmers, registered as non-governmental organizations are currently working on the affirmation of organic agriculture. It is expected that the project "Organic Agriculture in

11 Agriculture and rural development

Montenegro – Concerted Support for Small-Scale Producers in Organic Agriculture", implemented in cooperation with the Food and Agriculture Organization UN – FAO should contribute to strengthening of the existing associations, and point to the significance and necessity of associating the producers and organised market presentation.

A three-year project of support from the Government of Denmark under the name "Programme of Organic Agriculture Development in Montenegro" started in the middle of 2009 and is aimed at supporting the development of organic agriculture and the consumption of organic products in the home market, especially in the section of tourism and for export.

The project will, among other things, support the development and establishing of associations of organic producers. It is anticipated that the informal interest group of the organic producers will originate from the "training in the field", and that the next step will be establishing of the National Association of Organic Producers. The association will be supported through the registration, development of the idea, the role, authorizations and the statute.

Comparative overview of organic agriculture (ha/head of cattle) for 2007/2008

Type of production		2007		2008	
		In conversion	Organic	In conversion	Organic
Arable area		39.7		58.6	3.4
Perennial plantations		2.9	3.0	8.8	3.9
Wild growing medicinal herbs and forest fruits			133 800		101 800
Pastures and meadows			1 000.8		1 800.8
Livestock production - head		11 bee hives	100 goats	140 sheep 40 bee hives	450 goats
Total	Ha	42.6	134 803.8	67.4	103 608.1
	head	11 bee hives	100 goats	140 sheep 40 bee hives	450 goats
Total (conversion +organic)	Ha	134 846.4		103 675.5	
	head	11 bee hives; 100 goats		40 bee hives, 140 sheep; 450 goats	

Information on the farm structure of the registered producers in organic agriculture

Ordinal number of the producer	TYPE OF PRODUCTION					Livestoc production / head
	Field crops and cultivated medicinal herbs	Vegetable growing	Fruit and grape growing	Meadows and pastures	Collecting medicinal herbs	
1					101 800.0	
2						40 bee hives
3	2.2	0.5				
4			3.1			
5			1.2			
6	0.1	0.8				
7	15.0	18.0				
8	5.0					
9			3.0			
10			1.6			
11		5.2	0.9			
12			1.0			
13		0.8				
14			0.8			
15					purchase	
16		0.7				
17		1.0				
18		1.0				
19	3.0					
20	5.0					
21	1.8					
22	2.0				purchase	
23			0.8			
24			0.4			
25				800.0		350 goats, 140 sheep
26				1 008.8		100 goats

In 2008 13 certificates were issued: 6 for organic production and 7 for production in conversion period.

The structure of the certified products and their quantity is as follows:

Plant production

Fruit growing:

- organic: 3.1 tonnes of apple; 1.05 tonnes of pears; 0.5 tonnes of plums and 0.35 tonnes of quince
- in conversion: 3 tonnes of apple; 3 tonnes of plums and 0.8 tonnes of raspberries

Field crop growing:

- in conversion: 6.25 tonnes of buckwheat flour; 1.8 tonnes of barley

Vegetable growing:

- organic: 84 tonnes of potatoes
- in conversion: 59 tonnes of potatoes; 30 tonnes of cabbage and 0.3 tonnes of carrot

Collecting of medicinal herbs and forest fruits:

- organic: 2.305 tonnes of mono-herbal tea; 3.155 tonnes of herbal tea blends; 400 l of apple cider vinegar and 113.2 l essential oils

Cultivated medicinal herbs:

- in conversion: 0.05 tonnes of mono-herbal tea

Livestock production

Goat breeding:

- organic: 0.5 tonnes of hard cheese

There are two specialised shops of organic products in Montenegro, while organic products from import, mainly from the EU, can be found in retail shops of some commercial chains.

Since the Ministry of Agriculture does not keep the Register of Organic Products Importers, the data on types and quantity of the imported organic products cannot be provided.

VI. AGRICULTURAL STATISTICS

21. Please provide a brief description on the organisation structure for statistical collection and monitoring; co-operation between Ministry of Agriculture and central/local statistical offices concerning agricultural statistics.

Statistics Office of Montenegro (Monstat) represents the official competent authority for statistics production. Monstat performs the professional affairs relating to the preparation and undertaking of numerous statistics surveys. The Statistics Office collects, processes, analyses and publishes statistical data. The ongoing reforms in statistics services will enable collecting, processing and publishing of data according to the standards of European Union.

There is a special Section for Agriculture and Environment within Monstat, with the Subsection for Agricultural Statistics and Subsection of Statistics on Forestry and Environment (see more details in Chapter 18 Statistics, question No.2)

Within the Ministry of Agriculture, Forestry and Water Management there is no special unit or desk to monitor or produce statistical data. There is only monitoring of the prices of agricultural products from green and wholesale markets through AMIS as described in **Chapter 11 Agriculture and Rural Development**, part I **Horizontal**, question **No. 4**.

Conducting of agricultural census is planned in the first half of October 2009, in accordance with the Law on Agricultural Census (Official Gazette of Montenegro 56/09) ([Annex 9](#)) (first after 1960) and with the aim of more efficient implementation of this activity, a Memorandum on Cooperation was signed between the Ministry of Agriculture, Forestry and Water Management and Monstat. Additionally, within the scope of further defining the responsibilities and authorities for collecting statistical data, an Agreement on Cooperation between the Ministry of Agriculture, Forestry and Water Management and Monstat has been prepared, which will be signed by the end of 2009.

A. General and product specific statistics

22. The general position and circumstances of the agricultural sector should be described (in a table) by the following statistical information (as far as the information is available):

Pursuant to the obligation from the Stabilisation and Association Agreement, the Statistics Office drew up a proposal of NUTS classification, which was adopted by the Government of Montenegro at the end of the first quarter. The above mentioned was submitted to EUROSTAT for the adoption, after whose revision and comments, NUTS classification shall become the official and binding for Montenegro. At the moment, based on the existing Regulation Montenegro has no administrative division into regions (the Law on Territorial Organisation of Montenegro from 1960 is in force, with the amendments from 1965, 1970 and 1990 (Official Gazette 10/60, 6/65, 6/70 and 45/90)). The Statistics Office defined the proposal of NUTS classification in cooperation with the experts through CARDS 2003 project. The proposal of NUTS classification by Monstat is the following:

NUTS classification is in accordance with the criteria of statistical division in levels NUTS I (the whole Montenegro), NUTS II (the whole Montenegro), NUTS III (the whole Montenegro) and LAU 2 (municipalities).

Statistical data on agricultural production in Montenegro are obtained from different sources through regular surveys and national census of population, flats and households which is taken every 10 years in Montenegro. The last agricultural census on the territory of Montenegro was taken in 1961. In October 2008 a pilot agricultural census was taken with the aim of evaluating the instruments which will be used in the official census, and the first independent agricultural census is planned for the first half of 2010. See Chapter 18, theme 4.01, module 4.01.01 and module 4.01.02.

a) Utilised agricultural area (UAA) on both a national and regional basis. Situation in 2000 to 2008 (or most recent year available): arable land; fallow land; land under permanent crops; permanent grassland; kitchen gardens;

Agricultural land by utilisation categories - ha

	Agricultural areas	Arable areas					Pastures	Ponds, fish ponds and reed swamps
		Total	Plough-land and gardens	Orchards	Vineyards	Meadows		
2000	517 830	185 822	49 688	10 761	3 888	121 485	327 664	4 344
2001	518 052	190 092	47 382	9 533	3 859	129 318	325 309	2 651
2002	518 067	189 806	45 818	9 542	3 859	130 587	325 610	2 651
2003	518 067	189 745	44 818	9 580	3 864	131 483	325 671	2 651
2004	518 047	188 766	46 888	9 696	3 921	128 261	326 620	2 661
2005	517 097	189 126	46 179	11 151	4 036	127 760	325 326	2 645
2006	517 337	189 252	44 524	11 926	4 181	128 621	325 436	2 649
2007	516 465	189 939	44 957	11 976	4 225	128 781	323 876	2 650
2008	516 219	189 300	45 237	11 885	4 325	127 853	324 269	2 650

The source: Monstat (Report on areas and plantations at the end of spring sowing)

Ploughing area by utilisation - ha

	Arable land and gardens	Sown area					Plant nurseries	Fallow land and uncultivated arable land and gardens
		Total	Cereals	Industrial crops	Vegetable crops	Fodder crops		
2000	49 688	35 729	9 662	213	18 347	7 507	63	13 896
2001	47 382	34 716	8 094	216	18 524	7 882	59	12 607
2002	45 818	33 038	7 095	184	18 583	7 176	36	12 744
2003	44 818	32 111	6 520	201	18 133	7 257	24	12 683
2004	46 888	31 902	5 937	196	18 181	7 588	22	14 964
2005	46 179	31 370	5 218	194	18 224	7 734	13	14 796
2006	44 524	30 689	5 101	194	17 918	7 476	-	13 824
2007	44 957	31 307	5 201	159	17 988	7 959	4	13 632
2008	45 237	31 317	5 073	154	18 145	7 945	2	13 903

The source: Monstat (Report on areas and plantations at the end of spring sowing)

Agricultural land by utilisation categories - ha

		Total	Arable areas				Pastures	Ponds, fish ponds and reed swamps	
			Sum	Plough-land and gardens	Orchards	Vineyards			Meadows
ANDRIJEVICA	2000	15 473	5 708	761	250	-	4 697	9 765	-
	2001	15 873	5 538	761	499	-	4 278	10 335	-
	2002	15 873	5 538	761	499	-	4 278	10 335	-
	2003	15 873	5 538	761	529	-	4 248	10 335	-
	2004	15 873	5 538	768	629	-	4 141	10 335	-
	2005	13 339	5 647	762	629	-	4 256	7 692	-
	2006	13 339	5 637	627	629	-	4 381	7 702	-
	2007	13 251	5 559	752	629	-	4 178	7 692	-
	2008	13 261	5 569	762	629	-	4 178	7 692	-
BAR	2000	19 489	5 863	2 040	2 239	251	1 333	13 617	9
	2001	18 399	5 551	2 151	859	251	2 290	12 843	5
	2002	18 399	5 551	2 151	859	251	2 290	12 843	5
	2003	18 399	5 551	2 143	859	251	2 298	12 843	5

11 Agriculture and rural development

	2004	18 430	5 285	1 172	1 017	286	2 810	13 136	9
	2005	18 478	5 339	1 142	2 426	287	1 484	13 130	9
	2006	18 481	5 342	1 138	2 435	289	1 480	13 130	9
	2007	18 478	5 339	1 139	2 438	290	1 472	13 130	9
	2008	18 460	5 322	1 127	2 440	295	1 460	13 129	9
BERANE	2000	27 624	14 774	3 916	1 073	-	9 785	12 843	7
	2001	27 562	14 711	3 935	990	-	9 786	12 843	8
	2002	27 562	14 711	3 935	990	-	9 786	12 843	8
	2003	27 562	14 711	3 935	990	-	9 786	12 843	8
	2004	27 562	14 711	3 949	990	-	9 772	12 843	8
	2005	29 321	15 743	3 935	1 081	-	10 727	13 572	6
	2006	29 321	15 728	3 935	1 081	-	10 712	13 587	6
	2007	29 501	15 908	3 935	1 081	-	10 892	13 587	6
	2008	29 495	15 903	3 935	1 081	-	10 887	13 586	6
BIJELO POLJE	2000	41 541	24 516	7 437	1 264	-	15 815	17 025	-
	2001	41 372	24 466	7 397	1 257	-	15 812	16 906	-
	2002	41 372	24 466	7 397	1 257	-	15 812	16 906	-
	2003	41 372	24 466	7 397	1 257	-	15 812	16 906	-
	2004	41 377	24 436	8 170	1 252	-	15 014	16 941	-
	2005	40 380	23 951	7 424	1 230	-	15 297	16 429	-
	2006	40 427	23 955	7 459	1 887	-	14 609	16 472	-
	2007	40 445	23 973	7 481	1 887	-	14 605	16 472	-
	2008	40 435	24 047	8 346	1 830	-	13 871	16 388	-
BUDVA	2000	5 216	1 251	397	338	31	485	3 920	45
	2001	5 215	1 250	396	338	31	485	3 920	45
	2002	5 215	1 250	390	341	32	487	3 920	45
	2003	5 215	1 250	390	344	33	483	3 920	45
	2004	5 218	1 253	390	346	34	483	3 920	45
	2005	4 959	1 050	258	288	6	498	3 879	30
	2006	5 027	1 045	253	288	6	498	3 952	30
	2007	5 032	1 049	258	288	8	495	3 953	30
	2008	5 025	1 045	261	281	8	495	3 950	30
DANILOVGRAD	2000	17 133	6 469	1 548	265	114	4 542	10 662	2
	2001	17 776	9 168	1 999	471	109	6 589	8 602	6
	2002	17 775	9 167	1 932	471	109	6 655	8 602	6
	2003	17 775	9 106	1 306	471	109	7 220	8 663	6
	2004	17 771	9 032	577	265	114	8 076	8 733	6
	2005	17 837	8 168	594	265	114	7 195	9 663	6
	2006	17 758	8 088	394	291	132	7 271	9 663	7
	2007	17 803	8 132	500	291	139	7 202	9 663	8
	2008	17 802	8 132	564	299	143	7 126	9 663	7
ŽABLJAK	2000	22 050	6 362	463	-	-	5 899	15 688	-
	2001	22 050	6 362	463	-	-	5 899	15 688	-
	2002	22 050	6 390	491	-	-	5 899	15 660	-
	2003	22 050	6 390	410	-	-	5 980	15 660	-
	2004	22 066	6 406	197	-	-	6 209	15 660	-
	2005	22 021	6 361	183	-	-	6 178	15 660	-
	2006	22 020	6 361	171	-	-	6 190	15 659	-
	2007	21 498	6 531	256	-	-	6 275	14 967	-
	2008	21 498	6 531	220	-	-	6 311	14 967	-
KOLAŠIN	2000	27 348	8 271	1 550	290	-	6 431	19 076	1
	2001	27 370	8 293	1 585	246	-	6 462	19 076	1
	2002	27 370	8 293	1 136	246	-	6 911	19 076	1
	2003	27 370	8 293	1 136	247	3	6 907	19 076	-
	2004	27 686	8 907	997	380	5	7 525	18 774	5
	2005	27 844	9 149	965	380	4	7 800	18 691	4
	2006	27 847	9 151	967	380	4	7 800	18 691	5
	2007	27 845	9 149	967	378	4	7 800	18 691	5
	2008	27 845	9 149	973	378	4	7 794	18 691	5
KOTOR	2000	5 652	2 851	384	640	75	1 752	2 801	-
	2001	5 440	2 390	338	640	75	1 337	3 050	-
	2002	5 440	2 390	338	640	75	1 137	3 050	-
	2003	5 440	2 390	345	640	76	1 329	3 050	-
	2004	5 470	2 427	669	642	76	1 040	3 040	3
	2005	5 630	2 554	770	643	76	1 065	3 073	3
	2006	5 631	2 555	669	643	76	1 167	3 073	3
	2007	5 928	2 852	669	643	76	1 464	3 073	3
	2008	5 928	2 852	669	642	75	1 466	3 073	3
MOJKOVAC	2000	12 686	4 042	898	136	-	3 008	8 644	-

11 Agriculture and rural development

	2001	13 607	4 963	703	140	-	4 120	8 644	-
	2002	13 607	4 686	693	140	-	3 853	8 921	-
	2003	13 607	4 686	693	141	-	3 852	8 921	-
	2004	13 689	4 700	621	138	-	3 941	8 989	-
	2005	13 686	4 696	616	136	-	3 944	8 990	-
	2006	13 687	4 697	616	136	-	3 945	8 990	-
	2007	13 687	4 697	616	139	-	3 942	8 990	-
	2008	13 687	4 697	588	136	-	3 973	8 990	-
NIKŠIĆ	2000	54 653	12 870	4 992	375	37	7 466	41 783	-
	2001	54 653	12 870	4 992	375	37	7 466	41 783	-
	2002	54 653	12 870	3 986	377	37	8 470	41 783	-
	2003	54 653	12 870	3 895	377	37	8 561	47 783	-
	2004	54 673	12 890	4 822	375	37	7 656	41 783	-
	2005	54 510	12 727	4 788	375	26	7 538	41 783	-
	2006	54 478	12 695	3 776	375	26	8 518	41 783	-
	2007	54 549	12 753	3 676	394	26	8 657	41 796	-
	2008	54 582	12 786	3 542	393	27	8 824	41 796	-
PLAV	2000	24 643	8 180	2 056	620	-	5 504	16 454	9
	2001	24 692	8 203	2 071	620	-	5 512	16 487	2
	2002	24 712	8 174	2 013	624	-	5 537	16 536	2
	2003	24 712	8 174	2 007	624	-	5 543	16 536	2
	2004	24 716	8 129	1 975	624	-	5 530	16 587	-
	2005	24 735	8 177	2 034	624	-	5 519	16 557	1
	2006	24 752	8 204	1 967	624	-	5 613	16 546	2
	2007	24 744	8 222	2 083	620	-	5 519	16 520	2
	2008	24 751	8 196	2 078	624	-	5 494	16 551	4
PLUŽINE	2000	19 788	7 750	946	21	-	6 783	12 038	-
	2001	19 788	7 750	946	21	-	6 783	12 038	-
	2002	19 788	7 750	946	21	-	6 783	12 038	-
	2003	19 788	7 750	912	21	-	6 817	12 038	-
	2004	19 749	7 316	754	27	-	6 535	12 433	-
	2005	19 730	7 297	723	29	-	6 545	12 433	-
	2006	19 730	7 297	477	25	-	6 795	12 433	-
	2007	19 709	7 256	430	31	-	6 795	12 453	-
	2008	19 701	6 738	383	29	-	6 326	12 963	-
PLJEVLJA	2000	68 876	28 229	7 950	343	-	19 936	40 646	1
	2001	69 562	28 915	6 041	341	-	22 533	40 646	1
	2002	69 560	28 907	6 032	341	-	22 534	40 652	1
	2003	69 560	28 907	6 032	341	-	22 534	40 652	1
	2004	69 042	28 237	9 412	341	-	18 484	40 804	1
	2005	69 144	28 273	9 419	343	-	18 511	40 871	-
	2006	69 191	28 337	9 412	343	-	18 582	40 853	1
	2007	68 494	28 407	9 451	341	-	18 615	40 086	1
	2008	68 461	28 523	9 557	350	-	18 616	39 937	1
PODGORICA	2000	61 954	18 831	6 356	725	2 919	8 831	39 282	3841
	2001	61 224	19 938	5 890	690	2 897	10 461	39 110	2176
	2002	61 222	19 939	5 890	690	2 897	10 462	39 107	2176
	2003	61 222	19 939	5 906	692	2 897	10 444	39 107	2176
	2004	61 269	20 195	6 447	603	2 898	10 247	38 898	2176
	2005	61 841	20 568	6 448	605	3 058	10 457	39 097	2176
	2006	62 069	20 796	6 467	692	3 181	10 456	39 097	2176
	2007	62 164	20 891	6 469	719	3 248	10 454	39 097	2176
	2008	62 141	20 869	6 463	677	3 248	10 481	39 096	2176
ROŽAJE	2000	19 945	9 142	1 489	16	-	7 637	10 803	-
	2001	20 288	9 485	1 489	17	-	7 979	10 803	-
	2002	20 288	9 485	1 489	17	-	7 979	10 803	-
	2003	20 288	9 485	1 489	17	-	7 979	10 803	-
	2004	20 269	9 466	605	17	-	8 844	10 803	-
	2005	20 237	9 434	673	17	-	8 744	10 803	-
	2006	20 288	9 485	802	17	-	8 666	10 803	-
	2007	20 251	9 448	699	17	-	8 732	10 803	-
	2008	20 251	9 448	716	17	-	8 715	10 803	-
TIVAT	2000	1 644	1 246	163	524	127	432	397	1
	2001	1 652	1 254	163	524	135	432	397	1
	2002	1 652	1 254	164	524	134	432	397	1
	2003	1 652	1 254	163	524	134	433	397	1
	2004	1 655	1 269	407	524	150	188	385	1
	2005	1 718	1 265	413	524	140	188	452	1
	2006	1 721	1 268	383	524	140	221	452	1

11 Agriculture and rural development

	2007	1 741	1 188	366	524	110	188	552	1
	2008	1 740	1 187	365	524	110	188	552	1
ULCINJ	2000	11 834	6 940	4 556	850	88	1 446	4 602	292
	2001	11 470	6 768	4 503	741	78	1 446	4 430	272
	2002	11 470	6 768	4 799	741	78	1 450	4 430	272
	2003	11 470	6 768	4 262	741	78	1 687	4 430	272
	2004	11 470	6 350	3 485	741	75	2 049	4 848	272
	2005	11 680	6 560	3 546	770	78	2 166	4 848	272
	2006	11 558	6 437	3 541	770	80	2 046	4 849	272
	2007	11 549	6 628	3 734	770	78	2 046	4 649	272
	2008	11 503	6 502	3 506	770	88	2 138	4 729	272
HERCEG NOVI	2000	8 861	2 360	614	720	108	918	6 498	3
	2001	8 639	2 140	387	692	108	953	6 498	1
	2002	8 639	2 140	403	692	108	937	6 498	1
	2003	8 639	2 140	635	692	108	705	6 498	1
	2004	8 631	2 132	639	692	108	693	6 498	1
	2005	8 584	2 083	653	692	108	630	6 498	3
	2006	8 586	2 085	655	692	108	630	6 498	3
	2007	8 588	2 087	657	692	108	630	6 498	3
	2008	8 443	1 931	389	692	190	660	6 509	3
CETINJE	2000	19 267	3 085	799	43	138	2 105	16 049	133
	2001	19 267	2 995	799	43	138	2 015	16 139	133
	2002	19 267	2 995	799	43	138	2 015	16 139	133
	2003	19 267	2 995	684	43	138	2 130	16 139	133
	2004	19 267	2 995	509	43	138	2 305	16 139	133
	2005	19 258	2 991	504	43	139	2 305	16 134	133
	2006	19 256	2 985	485	43	139	2 318	16 138	133
	2007	19 023	2 760	475	43	138	2 104	16 130	133
	2008	19 019	2 755	450	43	137	2 125	16 131	133
ŠAVNIK	2000	32 153	7 082	373	29	-	6 680	25 071	-
	2001	32 153	7 082	373	29	-	6 680	25 071	-
	2002	32 153	7 082	373	29	-	6 680	25 071	-
	2003	32 153	7 082	317	30	-	6 735	25 071	-
	2004	32 164	7 092	323	50	-	6 719	25 071	1
	2005	32 165	7 093	329	51	-	6 713	25 071	1
	2006	32 170	7 104	330	51	-	6 723	25 065	1
	2007	32 185	7 110	344	50	-	6 716	25 074	1
	2008	32 191	7 118	343	50	-	6 725	25 073	-

The source: Monstat (Report on areas and plantations at the end of spring sowing)

b) Forest area

Forest areas in Montenegro

	2002	2005	2008
Total forest areas	545 153	617 080	627 168

The source: Monstat (report on the changes in forest areas - three year periodicals)

¹⁾ The indicated areas relate to the areas covered in forest trees regardless of the crown spread and height of the trunk (high, lowland other categories of forests).

c) Development of farm structures between 2000 and 2008 (indicating when farm structure surveys had been carried out): farm size structure by region (where applicable); distribution by cultivated area; distribution by main type of production; distribution by herd size; area used by farms smaller than 2 ha.

The information is not available – the survey is not carried out, the results of the agricultural

census (planned for October 2009) will be available in 2010. **See the chapter 18; theme 4.02; module 4.02.01.**

d) Agricultural population and its development. Development from 2000 to 2008 (or most recent year available), preferably based on the Labour Force Survey: share of total active population; regional distribution; full-time and part time farmers; distribution by age and sex.

Figures on unemployment, active population and activity rates per gender, Labour Force Survey

Montenegro	2004	2005	2006	2007	2008
1. active population	259 092	256 569	253 184	263 700	266 700
men	147 523	143 060	141 488	148 800	150 800
women	111 569	113 509	111 696	115 000	115 900
2. activity rate	51.7	49.9	48.9	51.7	51.9
men	60.9	57.4	57.8	60.0	60.4
women	43.1	42.9	41.0	43.9	43.9

The source: Monstat

Full-time and part-time employees by sectors of activity and gender, the Labour Force Survey 2007

	in 000				%			
	Total	Agricultural activities	Non - agricultural activities	Service activities	Total	Agricultural activities	Non - agricultural activities	Service industry
Total (Men and women)								
Total	212.7	{18.4}	37.3	157.0	100.0	100.0	100.0	100.0
Full-time	195.8	8.9	35.3	151.6	92.1	48.5	94.6	96.6
Part-time	{16.9}	((9.5))	.	((5.4))	{7.9}	{51.5}	.	((3.4))
Men								
Total	121.7	{11.0}	28.2	82.6	100.0	100.0	100.0	100.0
Full-time	113.2	5.9	27.2	80.1	93.0	54.1	96.5	97.0
Part-time	{8.5}	((5.0))	.	.	{7.0}	{45.9}	.	.
Women								
Total	91.0	((7.4))	{9.1}	74.4	100.0	100.0	100.0	100.0
Full-time	82.6	3.0	8.1	71.5	90.8	40.3	88.8	96.1
Part-time	((8.4))	.	.	((2.9))	{9.2}	.	.	((3.9))

The source: Monstat

Full-time and part-time employees by sectors of activity and gender, the Labour Force Survey 2008

	in 000				%			
	Total	Agricultural activities	Non - agricultural activities	Service activities	Total	Agricultural activities	Non - agricultural activities	Service industry
Total (Men and women)								
Total	221.9	16.8	47.5	157.5	100.0	100.0	100.0	100.0
Full-time	202.1	6.7	44.8	150.7	91.1	39.7	94.2	95.6
Part-time	19.7	(10.1)	(2.7)	6.9	8.9	60.3	(5.8)	4.4
Men								
Total	126.7	9.9	36.5	80.3	100.0	100.0	100.0	100.0
Full-time	115.3	5.0	34.1	76.3	91.0	49.8	93.5	95.0
Part-time	11.4	(5.0)	(2.4)	4.0	9.0	50.2	(6.5)	5.0
Women								
Total	95.1	(6.8)	11.1	77.2	100.0	100.0	100.0	100.0
Full-time	86.8	(1.7)	10.7	74.4	91.2	(25.1)	96.6	96.3
Part-time	8.3	(5.1)	((0.4))	2.8	8.8	74.9	.	3.7

Note: The Statistics Office has processed the data independently since 2004, and disposes with the information since that time.

Legend
Not zero, but utterly imprecise assessment (CV \geq 30)
(()) imprecise assessment (20 \leq CV<30)
{ } less precise assessment (10 \leq CV<20)
CV: Standard error of assessment as percentage of assessment.

e) Farm incomes for full time farmers (gross added value per annual labour unit) including comparison with average gross wages of employment outside agriculture.

Gross added value and number of the employed in the activities A: Agriculture, hunting and forestry for the period 2000-2007

	2000	2001	2002	2003	2004	2005	2006	2007
Gross added value in current prices, in thousands of EUR, for activity A	120 317	139 897	148 372	149 245	154 178	158 468	177 021	193 051
Number of the employed in the activity A	2 870	2 877	2 857	2 909	2 926	2 786	2 607	2 586

The source: MONSTAT

The wages of the employed in the activity A: Agriculture, hunting and forestry for the period 2000-2007.

	2000	2001	2002	2003	2004	2005	2006	2007
Average wages of the employed in the activity A*)	113	104	180	209	338	266	441	446
Average wages of the employed without tax and contributions (net wage) A*)	69	63	111	136	222	172	268	305

The source: MONSTAT

*) The activity A included Agriculture, hunting and forestry as well as fishery till 2000, while fishery has been excluded from the activity A since 2001.

f) Contribution of the agricultural sector to Gross National Product (GNP) by region.

MONSTAT does not have available the information on Gross National Product (GNP), and pursuant to the required we provide information on Gross Domestic Product (GDP).

The calculation of the Gross Domestic Product is not made by regions, but for the whole economy of Montenegro. According to the proposal of NUTS classification, Montenegro represents one region in all three NUTS levels.

Share of activities: Agriculture, hunting and forestry in GDP for the period from 2000-2007

	2000	2001	2002	2003	2004	2005	2006	2007
Gross added value in current prices, in thousands of EUR, for the activity A: Agriculture, hunting and forestry	120 317	139 897	148 372	149 245	154 178	158 468	177 021	193 051
Gross added value in permanent prices, in thousands of EUR, for the activity A: Agriculture, hunting and forestry	-	123 407	152 166	146 979	155 215	156 953	165 441	156 514
Share of gross added value in current prices, of the activity A in the Gross Domestic Product, in %	11.3	10.8	10.9	9.9	9.2	8.8	8.2	6.9

11 Agriculture and rural development

Share of gross added value in permanent prices, of the activity A in the Gross Domestic Product, in %	-	11.5	11.5	10.5	9.8	9.0	8.4	6.6
---	---	------	------	------	-----	-----	-----	-----

The source: MONSTAT

g) Area, yield and production of soft wheat, durum wheat, barley, cereal maize, rye, oats, other cereals, basic or certified seed (varieties mentioned in the annex to Regulation 1234/2007), rape seed, soybeans, sunflower seed, other oilseeds, dried fodder, peas, field beans and sweet lupins, flax, hemp and silkworm (annual production and growing area), sugar beets, rice, fruit and vegetables (by the most important products), hops, tobacco, cotton and silage maize area.

Cereal production

	Wheat			Rye			Barley		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	1 478	2 888	1.95	66	80	1.21	3 208	4 060	1.26
2001	1 463	4 051	2.76	74	124	1.67	1 811	3 376	1.86
2002	1 428	4 851	3.39	43	78	1.81	1 325	2 976	2.24
2003	1 448	4 422	3.05	48	83	1.73	1 147	2 201	1.92
2004	1 123	3 437	3.09	112	256	2.28	1 026	1 960	1.91
2005	840	2 632	3.13	117	242	2.07	759	1 561	2.06
2006	808	2 497	3.09	175	394	2.25	860	1 966	2.28
2007	808	1 969	2.44	194	214	1.10	868	1 058	1.22
2008	826	2 856	3.46	200	577	2.88	787	2 244	2.85

The source: MONSTAT

	Oats			Meslin			Cereal maize		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	706	889	1.25	-	-	-	3 932	6 665	1.72
2001	643	1 081	1.67	-	-	-	4 089	10 290	2.51
2002	489	1 069	2.18	-	-	-	3 776	10 781	2.85
2003	457	843	1.84	-	-	-	3 366	8 600	2.55
2004	341	666	1.95	-	-	-	3 217	9 641	2.99
2005	257	516	2.01	-	-	-	3 059	9 668	3.16
2006	205	428	2.08	-	-	-	2 782	9 066	3.26
2007	221	240	1.08	-	-	-	2 756	6 937	2.52
2008	221	524	2.37	5	18	3.5	2 712	9 625	3.55

The source: MONSTAT

Industrial crops production

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Tobacco ¹⁾									
Harvested area in hectares	208	216	184	201	196	194	194	159	154
Yield – Tonnes – Total	274	342	384	398	419	416	431	358	324
Yield – Tonnes per hectare	1.31	1.58	2.08	1.98	2.14	2.14	2.22	2.25	2.10

The source: MONSTAT

¹⁾ Production only on private farms.

11 Agriculture and rural development

Production of vegetable crops

	Potato			Onion			Garlic		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	10 557	60 787	5.75	690	2 972	4.30	223	499	2.23
2001	10 626	70 421	6.62	682	3 234	4.74	228	684	3.00
2002	10 504	101 288	9.64	642	3 319	5.17	235	703	2.99
2003	10 505	113 290	10.78	628	3 334	5.30	192	681	3.54
2004	10 350	117 039	11.31	646	3 261	5.05	191	501	2.62
2005	10 313	132 830	12.88	614	4 127	6.72	196	554	2.83
2006	10 179	132 783	13.05	603	3 928	6.51	206	685	3.32
2007	10 190	106 909	10.49	571	2 793	4.89	192	523	2.72
2008	10 233	134 106	13.11	551	3 576	6.49	199	725	3.64

The source: MONSTAT

	Tomato			Paprika			Melon and watermelon		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	989	22 651	22.90	827	16 308	19.71	1 445	35 577	24.62
2001	1 038	21 220	17.04	817	17 042	20.85	1 547	41 303	26.69
2002	1 079	24 374	22.58	799	17 054	21.34	1 591	47 886	30.09
2003	1 014	22 790	22.47	799	16 443	20.57	1 333	38 567	28.93
2004	993	22 818	22.97	805	16 092	19.99	1 382	40 647	29.41
2005	944	20 853	22.09	763	15 656	20.52	1 434	42 644	29.74
2006	963	22 507	23.37	777	16 771	21.58	1 416	41 765	29.50
2007	978	22 084	22.58	802	17 275	21.54	1 420	39 672	27.94
2008	970	22 165	22.85	829	18 327	22.10	1 440	42 449	29.48

The source: MONSTAT

	Beans ¹⁾			Peas			Cabbage and kale		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	630	1 488	1.24	144	265	1.84	1 945	24 604	12.64
2001	643	1 894	1.45	138	281	2.03	1 936	28 574	14.76
2002	622	1 869	1.52	153	262	1.71	2 028	26 782	13.20
2003	670	2 165	1.84	170	436	2.56	1 903	27 209	14.30
2004	768	2 218	1.72	212	578	2.73	1 804	25 015	13.87
2005	679	2 364	2.26	164	371	2.26	1 963	24 408	12.43
2006	677	2 152	1.91	145	329	2.27	1 869	31 813	17.02
2007	675	1 066	1.22	137	258	1.88	1 847	26 297	14.24
2008	642	1 684	1.77	147	285	1.94	1 884	47 334	25.12

The source: MONSTAT

¹⁾ The harvested area and yield per hectare are given only for sole crop, and total yield for sole crop and intercrop altogether

Production of fodder crop

	Clover			Lucerne			Stock beet		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	871	2 422	2.78	3 162	10 608	3.35	310	2 505	8.08
2001	917	3 311	3.61	3 296	11 846	3.59	310	3 593	11.59
2002	895	3 702	4.13	2 942	10 892	3.70	277	3 779	13.64
2003	770	3 060	3.97	2 994	11 962	3.99	290	4 502	15.52
2004	858	3 802	4.43	3 033	11 784	3.88	272	3 453	12.69
2005	863	3 427	3.97	3 094	13 477	4.36	267	4 080	15.28

11 Agriculture and rural development

2006	853	3 633	4.26	3 123	14 176	4.54	245	3 773	15.40
2007	866	2 800	3.23	3 250	11 474	3.53	234	1 946	8.31
2008	887	3 959	4.46	3 315	15 358	4.63	217	3 670	16.92

The source: MONSTAT

	Fodder maize			Meadows			Pastures		
	Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes		Harvested area, ha	Yield, tonnes	
		Total	Per ha		Total	Per ha		Total	Per ha
2000	130	1 407	10.82	121 061	83 211	0.68	215 502	28 246	0.13
2001	100	1 078	10.78	129 288	228 665	1.76	325 297	85 783	0.26
2002	108	1 629	15.08	130 587	237 995	1.82	325 610	105 945	0.32
2003	103	1 050	10.19	131 483	237 813	1.81	325 671	109 006	0.33
2004	56	473	8.45	128 261	241 669	1.88	326 620	127 118	0.39
2005	110	1 571	14.28	127 760	234 509	1.84	325 326	156 095	0.48
2006	124	3 417	27.56	128 621	229 129	1.78	325 436	121 738	0.37
2007	113	1 417	12.54	128 781	184 290	1.43	323 876	73 685	0.23
2008	127	2 694	21.21	127 853	233 147	1.82	324 269	69 298	0.21

The source: MONSTAT

Fruit trees and fruit production

	Apples				Pears				Plums			
	Number of trees		Yield		Number of trees		Yield		Number of trees		Yield	
	Total	Fruitful	Total tonnes	kg per tree	Total	Fruitful	Total tonnes	kg per tree	Total	Fruitful	Total tonnes	kg per tree
2000	362 785	327 295	9 503	29.1	193 540	168 485	2 222	13,2	1419531	1277371	10814	8,5
2001	391 055	331 469	2 400	7.2	200 255	174 835	1 486	8,4	1324746	1215606	4701	3,8
2002	400 020	347 834	6 040	17.4	207 887	185 345	2 249	12,1	1346861	1210361	7885	6,5
2003	425 447	362 526	5 003	13.8	220 765	186 475	2 071	11,1	1358286	1226821	6518	5,3
2004	450 305	385 244	3 980	10.4	223 905	183 005	1 647	9,0	1353596	1200835	6155	5,1
2005	434 035	376 787	4 074	10.8	217 565	186 460	2 078	11,1	1222780	1120463	7406	6,6
2006	464 965	391 028	5 365	13.7	222 399	182 005	1 879	10,3	1244230	1110998	5541	5,0
2007	475 345	405 628	5 374	13.2	229 694	194 265	2 104	10,8	1253570	1099202	6076	5,5
2008	489 870	425 223	5 065	11.9	226 914	196 815	2 038	10,4	1259270	1101850	5943	5,4

The source: MONSTAT

	Cherries				Peaches				Walnuts			
	Number of trees		Yield		Number of trees		Yield		Number of trees		Yield	
	Total	Fruitful	Total tonnes	kg per tree	Total	Fruitful	Total tonnes	kg per tree	Total	Fruitful	Total tonnes	kg per tree
2000	118 715	104 235	1 707	16.4	217 630	196 475	2 980	15.1	49 844	42 175	586	13.9
2001	120 826	104 910	1 735	16.5	225 390	197 710	3 112	15.7	50 174	41 880	431	10.3
2002	122 813	107 255	1 531	14.3	257 260	193 229	3 230	16.7	52 079	44 303	486	11.0
2003	124 456	109 111	1 503	13.8	205 850	196 045	3 362	17.1	53 857	44 948	588	13.1
2004	127 386	111 885	1 495	13.4	211 400	197 960	3 842	19.4	55 800	46 340	476	10.3
2005	123 931	108 611	1 742	16.0	207 010	196 747	3 893	19.8	57 971	48 192	615	12.8
2006	129 516	109 780	1 916	17.4	254 942	243 926	3 814	15.6	58 743	49 098	534	10.9
2007	131 916	112 285	1 779	15.8	258 442	248 076	3 721	15.0	59 271	49 973	658	13.2
2008	132 739	113 255	2 003	17.7	202 747	194 246	3 482	17.9	60 714	51 448	720	14.0

The source: MONSTAT

11 Agriculture and rural development

	Olives				Figs				Oranges and tangerines			
	Number of trees		Yield		Number of trees		Yield		Number of trees		Yield	
	Total	Fruitful	Total tonnes	kg per tree	Total	Fruitful	Total tonnes	kg per tree	Total	Fruitful	Total tonnes	kg per tree
2000	444 742	429 366	1 765	4.1	230 970	214 322	3 627	16.9	299 970	222 425	3 206	14.4
2001	444 964	426 614	431	1.0	225 565	205 160	4 512	22.0	263 556	215 626	4 117	19.1
2002	455 594	427 184	600	1.4	224 657	208 282	4 211	20.2	282 157	220 727	4 768	21.6
2003	440 944	412 244	889	2.1	219 072	203 392	4 424	21.7	269 941	208 636	3 521	16.9
2004	443 041	406 621	2 533	6.2	219 530	204 790	4 811	23.5	292 774	231 769	6 859	29.6
2005	436 143	410 740	1 767	4.3	215 405	201 458	4 586	22.8	318 277	231 185	4 107	17.8
2006	441 241	416 844	1 889	4.5	211 205	198 503	4 701	23.7	321 069	281 109	7 199	25.6
2007	451 840	417 470	1 211	2.9	210 955	197 658	4 121	20.8	342 485	282 025	5 239	18.6
2008	448 400	418 460	2 401	5.7	210 710	197 363	4 378	22.2	390 585	311 235	6 883	22.1

The source: MONSTAT

h) Number of livestock, slaughtering, and average carcass weight for calves, male beef cattle, cows, pigs, chicken, other poultry, as well as sheep and goats.

Number of livestock and poultry

	Horses				Cattle							Poultry total
	Total	Foals and colts	Mares and pregnant fillies	Stallions and geldings	Total	Calves and Steers			Bulls for breeding	Oxen	Cows and pregnant heifers	
						Calves up to 3 months	Bullcalves from 3 months up to 2 years of age	Bullcalves over 2 years of age				
2000	12 474	483	2 997	8 994	179	40	-	-	1 720	9 073	128	745 017
2001	10 703	374	2 411	7 918	179	47	-	-	2 235	8 724	121	790 577
2002	9 967	212	1 925	7 830	178	47	-	-	2 084	8 007	120	817 445
2003	9 568	203	1 848	7 517	182	48	-	-	2 139	8 216	123	837 542
2004 ²	7 688	355	1 236	6 097	116	13 495	11 016	1 139	1 545	4 103	85 496	485 042
2005	7 119	282	1 051	5 786	117	15 612	12 263	1 726	1 476	3 914	82 851	462 149
2006	6 260	173	1 167	4 920	114	15 884	13 184	1 300	1 685	3 316	79 553	448 502
2007	5 463	212	1 417	3 834	109	15 871	13 861	1 130	1 294	4 080	73 142	505 355
2008	5 124	192	1 224	3 708	106	16 299	7 078	4 598	1 182	3 860	73 477	432 264

The source: MONSTAT

¹) Till 2004 the information refers to total for the categories of calves up of 3 months and bullcalves up to 2 years of age

	Sheep				Pigs					Goats total
	Total	Lambs and growing lambs up to 1 year of age	Ewes for breeding	Rams and barren ewes	Total	Piglets up to 6 months	Gilts over 6 months	Sows and in-pig gilts	Boars for breeding	
2000	305 707	31 776	257 950	15 981	21 516	18 300	1 352	1 664	200	-
2001	293 197	47 966	230 315	14 916	19 266	16 762	948	1 370	186	-
2002	243 524	36 144	194 883	12 497	20 875	19 140	325	1 212	198	-
2003	240 531	35 767	192 492	12 272	21 917	20 054	291	1 369	203	-
2004 ²	256 602	50 117	191 493	14 992	12 101	10 386	342	1 266	107	23 708
2005	254 898	41 349	197 970	15 579	10 697	8 693	364	1 555	85	30 742

11 Agriculture and rural development

2006	249 281	34 431	197 882	16 968	13 294	9 481	1 228	2 395	190	31 783
2007	222 244	35 935	169 926	16 383	10 374	7 306	1 408	1 593	67	25 015
2008	209 354	32 438	160 912	16 004	10 017	7 295	989	1 676	57	22 403

The source: MONSTAT

²⁾ In 2004 a database was updated on the basis of which a selection of new sample was made. The surveys on the number of livestock based on the new sample gave different results in comparison with the previous survey based on the old framework. Due to a great difference in the number of livestock, especially with some species (e.g. cattle), a method of time collating of the series could not have been applied which resulted in a completely new start for the livestock statistics.

Number of slaughtered livestock and average carcass weight (2000-2008)

Livestock slaughtered in slaughterhouses

	Cattle				Pigs		Sheep			Poultry
	Total	Calves	Bullcalves	Other cattle	Total	Pigs	Total	Lambs	Ewes and rams	
	HEAD									
2000	12 350	6 762	5 078	510	4 905	1 096	11 176	8 940	2 236	-
2001	10 627	6 688	3 581	358	7 287	2 239	8 466	7 975	491	-
2002	13 727	6 706	6 671	350	6 122	1 520	9 463	8 363	1 100	-
2003	13 658	6 348	7 051	259	5 827	1 291	19 878	17 864	2 014	-
2004	17 754	9 254	8 307	193	9 068	1 871	25 578	25 041	537	23 614
2005	20 599	10 975	9 294	330	7 339	4 179	24 057	21 814	2 243	106 137
2006	17 690	9 084	7 523	1 083	10 800	4 397	21 193	19 423	1 770	90 000
2007	21 485	11 246	8 122	2 117	11 484	3 605	25 129	21 511	3 618	90 000
2008	27 869	16 545	7 109	4 215	20 968	5 236	28 030	27 015	1 015	315 338
	AVERAGE NET WEIGHT IN KG									
2000	105.0	67.0	110.0	250.0	64.0	13.0	16.0	16.0	26.0	-
2001	101.0	62.0	151.0	250.0	66.0	15.0	17.0	16.0	26.0	-
2002	147.0	71.0	138.0	250.0	75.0	17.0	20.0	19.0	27.0	-
2003	142.0	75.0	144.0	266.0	75.0	15.0	20.0	19.0	29.0	-
2004	129.0	75.0	149.0	245.0	74.0	17.0	21.0	21.0	33.0	1.4
2005	127.0	66.0	162.0	206.0	57.0	15.0	21.0	20.0	35.0	1.5
2006	124.0	71.0	178.0	205.0	53.0	18.0	18.0	17.0	27.0	1.3
2007	131.0	73.0	148.0	236.0	45.0	27.0	18.0	17.0	28.0	1.2
2008	119.0	62.0	179.0	254.0	45.0	13.0	19.0	19.0	25.0	1.4

The source: MONSTAT

Number of livestock slaughtered on private holdings, enterprises and cooperatives

	Cattle	Pigs	Sheep	Poultry
	Total	Total	Total	Total
2000	50 915	59 052	59 060	-
2001	52 341	57 360	63 471	-
2002	50 354	58 001	50 336	-
2003	47 168	55 255	62 255	-
2004	29 256	27 711	31 828	102 673
2005	31 149	22 320	34 381	148 177
2006	30 915	25 081	34 132	119 589

11 Agriculture and rural development

2007	28 706	22 452	29 337	101 901
2008	27 991	16 844	26 752	150 852

The source: MONSTAT

i) Number of dairy cows, milk yields, production of milk, deliveries of milk to dairies showing volume and fat content, the distribution of volume of deliveries and number of producers by herd-size category, the volume of direct sales by milk product type and number of producers making direct sales, volume of on-farm consumption of milk indicating separately feed and food use.

	Milk				
	Total (000 Litre)	Cow (000 Litre)	Per dairy cow (Litre)	Ewe (000 Litre)	Per ewe (Litre)
2000	196 575	182 849	2 014	13 726	60
2001	194 385	182 757	2 000	11 628	59
2002	197 570	187 087	1 996	10 483	55
2003	202 753	191 600	1 826	11 153	59
2004	182 486	173 346	2 184	9 140	40
2005	185 811	176 257	2 242	9 554	53
2006	177 791	169 089	2 219	8 702	46
2007	172 656	163 516	2 245	9 140	47
2008	160 044	152 605	2 116	7 439	45

The source: MONSTAT

j) Number of non-dairy cows (other cows) and number of specialised beef cattle, sheep and goats.

Non-dairy cows and specialised beef cattle, sheep and goats are not bred in Montenegro, or they are bred in an insignificant number. Yet, these questions are included in the questionnaire for the agriculture census which is planned to be carried out in the first half of 2010. The information on the number of cows and information on the number of sheep and goats are given in the tables in question 22 under h).

k) Production and degree of self-sufficiency of the principal agricultural products including the main fruit and vegetables, eggs and honey.

The information is not available.

I) Market balances for the principal crops (soft wheat, durum wheat, barley, corn maize, rye, oats, other cereals, rape seed, sunseed, soybeans, refined sugar and isoglucose), the principal meats (beef, pork, poultry, as well as sheep and goat meat) and the principal dairy products (butter, skimmed milk powder, whole milk powder, cheese). The balances should state production, domestic use (human consumption, feed use when applicable), imports, exports, beginning and ending stocks for the period of 2000 to 2008 (or latest year available).

Balances for bovine meat, potatoes, tomatoes and dairy products (for dairy products altogether) are given in the following tables:

Balance for cattle	unit	2004	2005	2006	2007	2008
OFFER IN TOTAL						
Number of head at the beginning of the year	head	109 613	116 787	117 837	114 873	113 591
Starting number of cows and pregnant heifer	head	82 940	85 496	82 851	79 553	79 514
Number of cows in production	head	70 499	73 527	70 423	67 620	67 587
Number of newly born head	head	63 449	66 174	63 381	60 858	60 828
Export	head	5 650	6 846	7 223	8 223	9 223
Total available quantities	head	178 712	189 807	188 441	183 954	183 642
CONSUMPTION						
Export	head	0	0	0	0	0
Slaughtering	head	58 636	68 466	70 033	66 917	66 289
Loss	head	3 288	3 504	3 535	3 446	3 408
Head at the end of the year	head	116 787	117 837	114 873	113 591	113 944

The Source: Biotechnical Faculty

Balance for beef	unit	2004	2005	2006	2007	2008
PRODUCTION						
Domestic production (imported head)	tonne	6 348	7 531	8 252	7 863	7 938
Average value of meat per slaughtered head	tonne	108.3	110	117.8	118	119.7
Import	tonne	408	480	788	1 868	2 055
Total available quantities	tonne	6 756	8 011	9 040	9 731	9 993
CONSUMPTION						
Export	tonne	26	30	89	121	133
Domestic food consumption - tonnes	tonne	6 730	7 981	8 951	9 610	9860
The rest of domestic production	tonne	2	2	2	2	2
Total consumption	tonne	6 792	7 983	8 953	9,612	9 862
Number of slaughtered cattle	000 head	58 636	68 466	70 033	66 917	

The Source: Biotechnical Faculty

Balance for potatoes	Unit	2004	2005	2006	2007	2008
Area	ha	10 350.0	10 313.0	10 179.0	10 190.0	10 000.00
Average yield	t/ha	11.2	12.9	13.0	10.5	13.00
Domestic production	t/ha	116 023.5	132 830.0	132 783.0	106 909.0	130 000.00
Stocks at the beginning of the year	t	-	-	-	-	-
Import	t	2 622.0	3 014.0	4,283.0	6 000.0	5 500.00
Total available quantities	t	118 645.5	135 844.0	137 066.0	112 909.0	135 500.00
Export	t	96.7	19.6	9	9,0	10.00
Stocks at the end of the year	t	-	-	-	-	-
Loss consumed for feed use and other	t	29 005.8	33 207.5	33 195.7	26 727.3	32 500.00
Used as seed	t	30 939.0	30 537.0	30 537.0	30 570.0	30 000.00
Used for industrial purposes	t	580.1	664.2	663.9	534.6	650.00
Used for food	t	58 023.8	71 415.8	72 660.3	55 068.2	72 340.00
Total consumption	t	118 645.5	135 844.0	137 067.0	112 909.0	135 500.00
Consumed per inhabitant	kg.	87.9	108.2	110.1	83.4	109.60
Self-suppliance rate	%	97.8	97.8	96.9	94.7	95.94

The Source: Biotechnical Faculty

Balance of tomatoes	Unit	2004	2005	2006	2007	2008
Area (ha)	ha	993.0	944.0	963.0	978.0	987.8
Average yield (t/ha)	t/ha	223.0	22.1	23.4	22.6	23 709.0
Domestic production	t/ha	22 809.0	20 853.0	22 505.0	22 083.0	23.4
Stocks at the beginning of the year	t	-	-	-	-	-

11 Agriculture and rural development

Import (t)	t	1 864.0	3 069.0	2 781.0	3 300.0	3 200.0
Total available quantities	t	24 673.0	23 922.0	25 296.0	25 383.0	26 619.0
Export (t)	t	6.0	33.0	1 016.0	3 321.0	2 750.0
Stocks at the end of the year	t	-	-	-	-	-
Loss consumed for feed use and the rest	t	1 140.0	1 042.0	1 125.0	1 104.0	1 171.0
Used as seed	t	-	-	-	-	-
Used for industrial purposes	t	-	-	-	-	-
Used for food	t	23 527.0	22 847.0	23 155.0	20 958.0	22 698.0
Total consumption	t	24 673.0	23 922.0	25 296.0	25 383.0	26 619.0
Consumed per inhabitant	kg.	35.7	34.6	35.1	31.8	40.3
Self-sufficiency rate	%	92.0	87.0	93.0	100.0	98.1

The Source: Biotechnical Faculty

Balance of dairy products (equivalent to 3.5% of milk fat)	Unit	2002	2003	2004	2005	2006	2007
Production	t	197 570.0	202 753.0	192 486.0	195 811.0	187 791.0	189 000.0
Import	t	35 855.0	32 281.0	36 284.0	39 590.0	44 152.0	47 702.0
Export	t	0.0	0.0	185.0	287.0	358.0	209.0
Offer	t	233 425.0	235 034.0	228 585.0	235 114.0	231 585.0	236 493.0
Human use	t	147 784.0	154 307.0	165 015.0	169 852.0	176 024.0	176 225.0
Average consumption per inhabitant	t	232.0	241.0	255.0	260.0	265.0	265.0
Self-sufficiency rate	%	84.6	86.3	84.2	83.3	81.1	79.9

The Source: Biotechnical Faculty

In cooperation with the Ministry of Agriculture of USA the project "Economic analysis in agriculture" was initiated (April 2007), which was intensified in 2008. The essential purpose of this project is making economic balances for the main products of fruit, livestock products, as well as making the reports and projections which would serve for creating agrarian policy for certain products as well as making of short-term and long-term projections for the main products.

m) Wine (surface of the vineyards and annual production including grapes, grape must and wine).

Areas of the vineyards are given in the table under the question 22 a)

	Vineyards – total			
	Number of vine plants		Yield	
	Total	Fertile	Total tonnes	kg per vine plant
2000	15 971 726	15 094 647	35 973	2.38
2001	16 093 922	15 304 384	35 324	2.30
2002	16 185 928	15 304 403	34 954	2.28
2003	16 213 258	15 306 090	35 131	2.31
2004	16 110 948	15 329 260	42 886	2.79
2005	16 599 366	15 427 030	36 960	2.40
2006	17 985 906	15 631 123	41 726	2.67
2007	18 168 670	16 959 900	35 402	2.09
2008	18 166 311	16 880 347	43 989	2.61

The source: MONSTAT

n) Production of ethyl alcohol of agricultural origin broken down by alcohol-producing product use.

There is no production of ethyl alcohol of agricultural origin in Montenegro.

o) Seeds measures concerning certified seeds.

Overview of the labeled quantities of seeds (in tonnes)

Crop	2004	2005	2006	2007	2008
Potatoes	765	1 342	1 230	1 710	1 432

The source: Ministry of Agriculture, Forestry and Water Management and Phytosanitary Administration

p) Olive oil (number of olive trees). Does a computerised information system such as the Geographical Information System of olive cultivation exist?

	Olives				Olive oil (hl)
	Number of olive trees		Yield		
	Total	Fertile	Total tons	kg per tree	
2000	444 742	429 366	1 765	4,1	2 849
2001	444 964	426 614	431	1,0	601
2002	455 594	427 184	600	1,4	844
2003	440 944	412 244	889	2,1	704
2004	443 041	406 621	2 533	6,2	3 483
2005	436 143	410 740	1 767	4,3	2 282
2006	441 241	416 844	1 889	4,5	3 129
2007	451 840	417 470	1 211	2,9	1 872
2008	448 400	418 460	2 401	5,7	3 073

The source: MONSTAT

At present there is no computerised information system such as the Geographical Information System of olive growing.

q) Market prices for each product category, indicating the stage of production and the quality.

Producers' prices of industrial products

1. Meat and meat products

1.1. Fresh meat

Product	Price/kg	2006 €	2007 €	2008 €
Fresh baby beef, halves and quarters	Average	3.76	3.85	4.09
Fresh veal, halves and quarters	Average	5.20	5.30	5.41
Fresh pork, halves and quarters	Average	2.50	2.53	2.71
Lamb, fresh or refrigerated	Average	5.21	5.50	5.50
Whole chickens, fresh or refrigerated	Average	2.30	2.29	2.47

The source: MONSTAT

1.2. Meat products

Product	Price/kg	2006 €	2007 €	2008 €
Smoked pork ribs	Average	3.58	3.71	3.62
Smoked pork neck, boneless	Average	8.59	8.81	9.29
Smoked pork, ham with bones	Average	6.60	6.85	7.05
Smoked bacon, meaty	Average	5.69	5.80	5.91
Sremska sausage, I class	Average	5.51	5.79	6.14
Tea sausage	Average	5.57	5.78	6.37
Ham salami	Average	2.86	2.98	3.17
Tirolska salami	Average	2.34	2.43	2.68
Parizer salami, French salami and the like	Average	1.60	1.72	1.89
Mortadella salami	Average	2.63	2.66	2.89
Pork sausage (Kranjska sausage)	Average	2.85	2.92	3.11

11 Agriculture and rural development

and the like.)					
Hot Dog in bulk	Average		2.33	2.41	2.52
Pressed ham	Average		3.73	3.81	4.72

The source: MONSTAT

Producers' selling prices

1. Livestock (live weight)

1.1. Selling prices of fattened calves (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	1.53	-	-	-	-	-	-
2	2.56	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	4.69	1.70	2.40	-	-	-
5	5.10	-	-	-	-	-	-
6	5.10	2.00	-	-	-	2.20	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	2.76
11	-	-	-	-	-	-	2.76
12	4.98	-	-	-	-	-	-
Average	3.85	3.35	1.70	2.40	-	2.20	2.76

The source: MONSTAT

1.2. Selling prices of slaughter calves (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.57	2.60	2.40	2.40	-	-	-
2	3.19	2.60	-	2.40	-	-	-
3	2.60	2.60	-	-	-	-	-
4	-	4.32	-	-	-	-	-
5	2.60	-	-	-	-	-	-
6	2.60	2.40	4.50	-	-	-	-
7	2.60	-	-	-	-	-	-
8	-	2.40	2.22	-	-	-	-
9	2.60	2.40	2.40	2.00	-	-	-
10	2.60	2.33	2.40	-	-	-	-
11	2.33	2.40	2.40	2.00	-	-	-
12	2.27	2.40	-	-	-	-	-
Average	2.60	2.65	2.72	2.20	-	-	-

The source: MONSTAT

1.3. Selling prices of fattened steers (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	4.02	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	1.71
11	-	-	-	-	-	-	1.66
12	4.46	-	-	-	-	-	2.00
Average	4.46	4.02	-	-	-	-	1.79

The source: MONSTAT

1.4. Selling prices of slaughter steers (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	2.40	-	-	-
4	-	-	-	2.40	-	-	-
5	-	2.40	-	2.40	-	-	-
6	-	-	3.80	-	-	-	-
7	-	2.40	2.00	-	-	-	-
8	-	-	2.00	-	-	-	-
9	-	-	2.00	-	-	-	-
10	-	-	2.00	-	-	-	-
11	-	-	2.00	-	-	-	-

11 Agriculture and rural development

12	1.90	2.00	-	-	-	-	-
Average	1.90	2.27	2.30	2.40	-	-	-

The source: MONSTAT

1.5. Selling prices of fattened cattle (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	-	-	-	1.36
12	-	-	-	-	-	-	-
Average	-	-	-	-	-	-	1.36

The source: MONSTAT

1.6. Selling prices of slaughter cattle (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	2.00	-	-	-
2	-	-	-	2.00	-	-	-
3	-	-	-	2.00	-	-	-
4	-	-	-	2.00	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-
12	-	-	2.00	-	-	-	-
Average	-	-	2.00	2.00	-	-	-

The source: MONSTAT

1.7. Selling prices of lard and bacon swine(€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	1.15	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-
Average	-	1.15	-	-	-	-	-

The source: MONSTAT

1.8. Selling prices of slaughter sheep and yearlings (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	2.00	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	2.40	-	2.50	-
5	-	-	-	-	-	-	-
6	-	-	-	-	2.00	-	-
7	-	-	-	-	2.00	-	-
8	-	-	-	-	2.50	-	-
9	-	-	-	-	-	-	-
10	2.17	1.20	-	-	-	-	1.29
11	2.60	1.20	-	-	2.50	-	1.28

11 Agriculture and rural development

12	2.60	-	-	-	-	-	-
Average	2.46	1.20	2.00	2.40	2.25	2.50	1.29

The source: MONSTAT

1.9. Selling prices of fattened lambs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	2.50	2.50
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	2.50	-	-
7	-	-	-	-	2.50	-	-
8	5.30	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	2.27
11	-	-	-	-	-	-	2.27
12	-	-	-	-	-	-	-
Average	5.30	-	-	-	2.50	2.50	2.35

The source: MONSTAT

1.10. Selling prices of other lambs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.60	2.53	2.49	-	-	-	2.15
2	2.60	2.60	2.40	-	-	-	-
3	2.60	2.79	2.40	-	-	-	-
4	-	2.95	2.40	-	2.50	-	-
5	2.60	2.40	2.40	2.40	2.50	2.50	2.20
6	2.60	2.27	2.40	4.33	2.50	2.50	-
7	2.27	2.16	2.04	4.10	2.50	2.20	-
8	2.60	2.06	1.96	2.00	2.10	2.21	-
9	2.25	2.04	1.89	2.00	2.06	2.15	2.20
10	2.60	2.03	2.12	2.00	2.06	2.16	-
11	-	2.40	2.40	2.00	-	-	-
12	5.90	2.40	-	2.00	-	-	-
Average	2.86	2.39	2.26	2.60	2.32	2.29	2.18

The source: MONSTAT

2. Selling prices of fruits and vegetables

2.1. Fruits and vegetables (€/kg)

Product	Price	2002	2003	2004	2005	2006	2007	2008
Plum fresh	for sale	-	-	-	-	-	-	-
Apple for food	for sale	-	-	-	-	-	-	-
Apple for processing	for sale	-	-	-	-	-	-	-
Pear	for sale	-	-	-	-	-	-	-
Peach	for sale	0.74	0.90	0.70	0.61	0.63	0.65	0.82
Walnut in shell	for sale	-	-	-	-	-	-	-
Strawberry	for sale	-	-	-	-	-	4.00	2.28
Raspberry	for sale	-	-	-	-	-	-	-
Blueberry (cultivated))	for sale	-	-	-	-	-	-	-
Orange and tangerine	for sale	-	-	-	-	-	-	-
Lemon	for sale	-	-	-	-	-	-	-
Olive	for sale	-	-	-	-	-	-	-
Grapes for food	for sale	1.07	1.24	0.93	0.76	0.78	0.81	0.75
Grapes for processing	for sale	0.75	0.78	0.30	-	-	-	-
Other fruit	for sale	-	-	-	-	-	-	-
Fresh paprika (without chilly pepper)	for sale	1.50	0.66	0.51	0.59	0.37	0.71	0.71
Tomato	for sale	0.30	0.67	0.44	0.43	0.22	0.49	0.51
Cucumber	for sale	0.26	0.40	0.40	0.53	0.15	0.39	0.44
Melon and watermelon	for sale	-	-	-	-	-	0.31	-
Green Beans	for sale	-	-	-	-	-	-	-
Head cabbage	for sale	0.18	-	0.18	0.15	-	0.13	0.19
Carrot	for sale	-	0.35	-	-	-	-	-
Onion (mature plant)	for sale	-	-	-	-	-	-	-
Garlic (mature plant)	for sale	-	-	-	-	-	-	-

11 Agriculture and rural development

Potato commercial	for sale	0.19	0.27	0.27	0.22	0.27	0.33	0.37
Beans	for sale	-	-	-	-	-	-	-
Other fresh vegetables	for sale	0.48	0.86	0.57	0.57	-	0.59	0.84

The source: MONSTAT

3.1. Brewer's barley, maize grains, and other cereals (buckwheat, wheat etc.) €/tonne.

month	Brewer's barley		Maize grains		Other cereals (buckwheat, wheat etc.)	
	2007	2008	2007	2008	2007	2008
1	-	-	-	-	-	-
2	-	-	-	-	-	1 000.00
3	-	-	-	-	-	-
4	-	-	-	-	-	-
5	-	-	-	-	-	-
6	-	-	-	-	-	-
7	-	-	-	-	-	-
8	-	-	-	-	-	-
9	-	-	-	-	-	-
10	-	-	-	-	-	-
11	-	-	-	-	-	-
12	-	-	-	-	-	-
Average	-	-	-	-	-	1 000.00

The source: MONSTAT

4. Industrial crop

4.1. Tobacco in €/kg

Product	2002	2003	2004	2005	2006	2007	2008
Tobacco (dry leaf, unfermented)	-	-	-	-	-	-	-
Tobacco (fresh leaf)	-	-	-	-	-	-	-
Average	-	-	-	-	-	-	-

The source: MONSTAT

5. Milk

5.1. Selling price of fresh cow milk (€/l)

Month	2002	2003	2004	2005	2006	2007	2008
1	0.35	0.31	0.31	0.28	0.29	0.28	0.28
2	0.30	0.30	0.30	0.30	0.29	0.29	0.26
3	0.32	0.30	0.30	0.30	0.28	0.28	0.26
4	-	0.27	0.30	0.28	0.28	0.28	0.27
5	0.32	0.28	0.30	0.30	0.27	0.28	0.26
6	-	0.27	0.30	0.29	0.28	0.28	0.26
7	0.29	0.28	0.30	0.29	0.28	0.28	0.28
8	0.30	0.28	0.30	0.28	0.28	-	0.26
9	0.31	0.28	0.30	0.29	0.28	0.28	0.27
10	0.31	0.31	0.30	0.30	0.28	0.28	0.27
11	0.30	0.30	0.30	0.32	0.28	0.28	0.28
12	0.30	0.32	0.30	0.30	0.28	0.28	0.27
Average	0.31	0.29	0.30	0.29	0.28	0.28	0.27

The source: MONSTAT

6. Eggs

6.1. Selling prices of table eggs (€/egg)

Month	2002	2003	2004	2005	2006	2007	2008
1	0.09	0.08	0.06	0.07	0.07	0.05	0.05
2	0.09	0.08	0.06	0.07	0.07	0.05	0.05
3	0.09	0.07	0.07	0.07	0.07	0.06	0.05
4	-	0.07	0.07	0.07	0.07	0.05	0.10
5	0.09	0.08	0.07	0.07	0.07	0.05	0.10
6	0.09	0.06	0.07	0.07	0.07	0.05	0.10
7	0.09	0.07	0.07	0.08	0.07	0.05	0.10
8	0.10	0.06	0.07	0.08	0.07	0.06	0.10
9	0.11	0.06	0.07	0.08	0.07	0.06	0.10
10	0.11	0.06	0.07	0.08	0.07	0.06	0.10
11	0.11	0.06	0.07	0.07	0.07	0.07	0.10

11 Agriculture and rural development

12	0.10	0.06	0.07	0.07	0.07	0.05	0.10
Average	0.10	0.07	0.07	0.07	0.07	0.07	0.09

The source: MONSTAT

7. Leather

7.1. Raw leather and calf hides (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	1.79	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	2.00	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-
Average	1.90	-	-	-	-	-	-

The source: MONSTAT

8. Dairy products

8.1. Hard cheese – kackavalj and Trappist cheese (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	3.00	-	-
7	-	-	-	4.50	3.00	-	-
8	-	3.01	-	-	3.00	3.50	-
9	-	-	-	3.00	3.00	3.50	-
10	-	-	-	3.00	3.00	3.50	-
11	-	-	-	-	3.00	3.50	-
12	-	3.00	-	3.00	3.00	3.50	-
Average	-	3.01	-	3.38	3.00	3.50	-

The source: MONSTAT

8.2. Soft cheese – white cheese in slices (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.04	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	3.00	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	3.00	-	-	-	-	-	-
6	3.00	-	-	6.80	-	-	-
7	-	2.75	-	-	-	3.80	-
8	3.00	2.69	-	4.50	-	-	-
9	3.00	4.40	-	7.00	-	-	-
10	3.00	4.40	-	7.00	-	-	-
11	3.00	3.00	-	-	-	-	-
12	3.00	-	-	7.00	-	-	-
Average	2.89	3.45	-	6.46	-	3.80	-

The source: MONSTAT

8.3. Kajmak – skorup (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	17.89	-	20.00	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	20.00	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	17.47	17.48	-	-
7	-	17.50	-	17.49	17.48	17.50	-
8	-	17.53	-	17.50	17.48	17.51	-
9	-	17.44	-	17.50	17.50	17.50	-
10	-	17.50	-	-	17.50	17.50	-

11 Agriculture and rural development

11	-	20.00	-	-	17.50	17.50	-
12	-	20.00	-	17.50	17.00	17.50	-
Average	17.89	18.33	20.00	17.91	17.42	17.50	-

The source: MONSTAT

9. Seed (€/kg)

Products	2002	2003	2004	2005	2006	2007	2008
Seed potatoes	0.50	0.44	-	0.43	0.46	0.50	-
Average	0.50	0.44	-	0.43	0.46	0.50	-

The source: MONSTAT

10. Seedlings (€/piece)

Products	2002	2003	2004	2005	2006	2007	2008
Vine seedlings and vine grafts	0.77	-	1.30	1.20	-	-	0.52
Fruit seedlings	-	-	-	-	-	3.27	0.51
Average	0.77	-	1.30	1.20	-	3.27	0.52

The source: MONSTAT

11. Fruit and grape products - only domestic processing (€/l)

Products	2002	2003	2004	2005	2006	2007	2008
Wine	0.96	1.45	1.22	-	-	-	5.00
Mild brandy (up to 30 degrees)	-	-	-	-	9.66	-	-
Hot brandy (over 30 degrees)	-	-	-	9.69	-	9.66	10.92
Grape pomace brandy – komovica *(lozovača)	-	7.74	7.11	9.66	9.66	9.66	10.20
Average	0.96	4.60	4.17	9.66	9.66	9.66	8.71

The source: MONSTAT

12. Fish –fresh (€/kg)

Product	Price	2002	2003	2004	2005	2006	2007	2008
Sea fish	selling	1.52	1.00	0.90	0.96	0.94	1.23	3.56
Other sea fish	selling	3.22	-	3.48	1.47	3.25	-	-
Trout	selling	-	3.48	3.63	3.33	-	3.78	4.01
Carp	selling	-	-	-	-	-	-	-
Other fresh water fish	selling	-	-	-	-	-	-	-
Average		2.37	2.24	2.67	1.92	2.10	2.51	3.79

The source: MONSTAT

Methodological note:

1. Data on sale of agricultural products from production of farms and cooperatives operating with the means in the state, private and cooperative property.
2. The value of the agricultural products sold means the value of the products supplied from production at the selling prices the organisations invoice and book the deliveries of their own production.
3. The average value per unit is calculated by dividing the value with the quantity. The prices are expressed in EUR with two decimals.

Collecting products prices

1. Livestock (live weight)

1.1. Collecting prices of fattened calves (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.58	-	-	-	-	-	-
2	-	-	-	-	-	2.20	2.35
3	-	-	-	-	-	2.20	2.30
4	-	2.06	-	-	-	-	2.22
5	2.20	-	-	-	-	-	2.25
6	2.20	2.00	-	-	2.30	-	2.37
7	-	-	-	-	2.00	-	2.79
8	-	-	-	-	-	-	2.78
9	-	-	-	1.99	2.50	-	2.66
10	-	-	-	-	2.50	-	2.68
11	-	-	-	2.00	2.50	-	2.76
12	2.11	-	-	-	2.50	2.20	2.76
Average	2.27	2.03	-	2.00	2.38	2.20	2.54

The source: MONSTAT

1.2. Collecting prices of slaughter calves (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	2.60	2.40	2.40	2.00	2.20	2.50
2	2.60	2.59	2.40	2.40	2.00	-	2.20
3	2.63	2.57	2.40	2.40	2.00	-	2.50
4	2.57	2.50	2.40	2.40	2.00	2.60	2.50
5	2.66	2.26	2.11	2.26	2.52	2.50	2.20
6	2.54	2.15	2.30	2.31	2.52	2.50	2.50
7	2.39	2.29	2.40	1.99	-	2.20	2.50
8	2.82	2.29	2.40	1.99	2.42	2.20	-
9	2.81	2.37	2.40	-	2.20	2.00	2.50
10	2.13	2.25	2.40	1.98	2.20	2.44	2.50
11	2.72	2.30	2.40	2.00	2.10	2.20	2.50
12	2.55	2.40	2.40	2.00	-	-	2.50
Average	2.58	2.38	2.37	2.19	2.20	2.32	2.45

The source: MONSTAT

1.3. Collecting prices of fattened steers (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	1.55	1.60	1.65
2	-	-	-	-	1.55	1.60	1.64
3	-	-	-	-	1.55	1.60	1.65
4	-	1.57	2.00	-	1.55	1.60	1.63
5	-	-	-	-	1.55	1.60	1.61
6	2.02	-	-	-	1.55	1.60	1.63
7	-	-	-	-	1.55	1.60	1.66
8	-	-	-	-	1.55	1.60	1.65
9	-	-	-	2.00	1.55	1.60	1.66
10	-	-	-	-	1.55	1.60	1.66
11	-	-	1.30	1.60	1.55	1.60	1.65
12	1.68	-	-	1.50	1.55	1.60	1.65
Average	1.85	1.57	1.65	1.70	1.55	1.60	1.65

The source: MONSTAT

1.4. Collecting prices of prices of slaughter steers (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.04	2.04	2.00	2.00	2.00	1.50	-
2	2.04	2.04	2.00	2.00	2.00	-	1.50
3	1.97	1.80	2.00	2.00	2.00	-	1.50
4	2.04	2.04	-	2.00	-	1.80	-
5	2.04	2.41	2.00	2.00	-	1.80	1.50
6	2.00	2.00	1.97	-	2.00	1.80	1.50
7	-	1.63	2.00	-	-	1.50	1.50
8	2.04	1.63	2.00	-	-	1.50	-
9	2.04	2.00	2.00	-	-	1.80	1.60

11 Agriculture and rural development

10	-	2.00	2.00	2.00	-	1.60	1.50
11	2.04	2.00	2.00	2.00	-	1.50	-
12	-	-	2.00	2.00	-	-	1.80
Average	2.03	1.96	2.00	2.00	2.00	1.64	1.55

The source: MONSTAT

1.5. Collecting prices of fattened cattle (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.04	-	-	-	1.45	1.50	1.55
2	-	-	-	-	1.45	1.50	1.35
3	-	-	-	-	1.45	1.50	1.55
4	-	-	-	-	1.45	1.50	1.55
5	-	-	-	-	1.45	1.50	1.55
6	-	-	-	-	1.45	1.50	1.49
7	-	-	-	-	1.45	1.50	1.49
8	-	-	-	-	1.45	1.50	1.54
9	-	-	-	-	1.45	1.50	1.41
10	-	-	-	-	1.45	1.50	1.42
11	-	-	-	1.00	1.45	1.50	1.43
12	-	-	-	1.40	1.45	1.50	1.42
Average	2.04	-	-	1.20	1.45	1.50	1.48

The source: MONSTAT

1.6. Collecting prices of slaughter cattle (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	2.04	-	-	1.35	1.35	1.40
2	-	-	2.00	-	1.35	1.35	1.40
3	-	-	2.00	-	1.35	1.35	1.29
4	-	-	2.00	-	1.35	1.35	1.31
5	2.04	-	-	-	1.35	1.35	1.32
6	-	-	-	-	1.35	1.35	1.40
7	-	2.00	-	-	1.35	1.35	1.40
8	-	-	-	-	1.35	1.35	1.40
9	-	-	-	-	1.36	1.35	1.40
10	-	2.00	-	-	1.35	1.35	1.40
11	-	-	-	-	1.34	1.35	1.40
12	2.04	-	2.00	1.30	1.35	1.35	1.40
Average	2.04	2.01	2.00	1.30	1.35	1.35	1.38

The source: MONSTAT

1.7. Collecting prices of meat pigs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	1.45	1.45	1.45
2	-	-	-	-	1.45	1.45	1.45
3	-	-	-	-	1.45	1.45	1.45
4	-	-	-	-	1.45	1.45	1.45
5	-	-	-	-	1.45	1.45	1.45
6	-	-	-	-	1.45	1.45	1.45
7	-	-	-	-	1.45	1.45	1.45
8	-	-	-	-	1.45	1.45	1.45
9	-	-	-	-	1.45	1.45	1.45
10	-	-	-	-	1.45	1.45	1.45
11	-	-	-	-	1.45	1.45	1.45
12	-	-	-	1.40	1.45	1.45	1.45
Average	-	-	-	1.40	1.45	1.45	1.45

The source: MONSTAT

1.8. Collecting prices of lard and bacon pigs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	1.35	1.35	1.35
2	-	-	-	-	1.35	1.35	-
3	-	-	-	-	1.35	1.35	1.35
4	-	-	-	-	1.35	1.35	1.35
5	-	-	-	-	1.35	1.35	1.35
6	-	-	-	-	1.35	1.35	1.35
7	-	-	-	-	1.35	1.35	1.35
8	-	-	-	-	1.35	1.35	1.35

11 Agriculture and rural development

9	-	-	-	-	1.35	1.35	1.35
10	-	-	-	-	1.35	1.35	1.35
11	-	-	-	-	1.35	1.35	1.35
12	-	-	-	1.30	1.35	1.35	1.35
Average	-	-	-	1.30	1.35	1.35	1.35

The source: MONSTAT

1.9. Collecting prices of slaughter suckling pigs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	2.75	-
11	-	-	-	-	-	2.75	2.75
12	-	2.00	-	2.70	2.75	2.75	2.75
Average	-	2.00	-	2.70	2.75	2.75	2.75

The source: MONSTAT

1.10. Collecting prices of slaughter sheep and yearlings (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	1.65	1.65	1.65
2	-	-	-	-	1.65	1.65	1.60
3	-	-	-	-	1.65	1.65	1.65
4	-	-	-	-	1.65	1.65	1.65
5	-	-	-	-	1.65	1.65	1.65
6	-	-	-	-	1.65	1.65	1.65
7	-	-	-	-	1.65	1.65	1.65
8	-	-	-	-	1.65	1.65	1.65
9	-	-	-	-	1.65	1.65	1.59
10	-	-	-	-	1.65	1.65	1.63
11	-	-	-	-	1.65	1.65	0.98
12	-	-	-	1.60	1.65	1.65	1.65
Average	-	-	-	1.60	1.65	1.65	1.58

The source: MONSTAT

1.11. Collecting prices of fattened lambs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	2.31
3	-	-	-	-	-	-	-
4	2.60	2.21	-	-	-	-	2.49
5	-	-	-	-	-	-	2.45
6	-	-	-	-	-	-	2.50
7	-	-	-	-	-	-	2.22
8	-	-	-	-	-	-	2.20
9	-	-	-	-	-	-	2.30
10	-	-	-	-	-	-	-
11	-	-	-	1.85	-	-	2.27
12	2.28	-	-	-	-	-	2.30
Average	2.44	2.21	-	1.85	-	-	2.34

The source: MONSTAT

1.12. Collecting prices of other lambs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.56	-	-	-	-	-	-
2	2.60	-	-	-	-	-	-
3	2.60	2.51	-	-	-	-	-
4	-	-	-	2.40	-	-	2.50
5	2.60	2.26	-	-	2.50	-	-
6	2.60	2.09	-	2.40	2.50	2.25	-
7	2.01	2.00	-	2.00	2.50	-	-

11 Agriculture and rural development

8	2.00	2.00	-	2.50	2.10	-	-
9	-	2.00	1.85	1.85	2.05	2.15	-
10	2.60	2.00	1.85	1.85	2.05	2.16	2.23
11	-	2.00	-	1.85	2.05	-	-
12	-	2.40	1.83	-	2.05	2.15	-
Average	2.45	2.14	1.84	2.12	2.23	2.18	2.37

The source: MONSTAT

2. Purchasing prices of fruit and vegetables

2.1. Fruit and vegetables

Product	Price	2002	2003	2004	2005	2006	2007	2008
Plum fresh	purchasing	0.60	-	-	0.32	-	0.21	-
Apple for food	purchasing	0.68	0.58	0.65	0.70	0.40	0.80	1.00
Apple for processing	purchasing	0.19	0.25	-	0.10	-	0.08	0.10
Pear	purchasing	0.60	-	1.50	0.10	-	0.10	0.10
Peach	purchasing	0.70	1.00	0.92	0.80	-	1.10	0.18
Walnut in shell	purchasing	-	-	-	-	-	-	2.50
Strawberry	purchasing	-	-	-	-	-	-	-
Raspberry	purchasing	-	1.12	0.75	0.65	0.74	0.70	2.00
Blueberry (cultivated)	purchasing	-	-	-	-	-	2.00	2.00
Oranges and tangerines	purchasing	0.69	1.00	0.54	-	0.41	1.20	0.49
Lemons	purchasing	0.88	1.03	1.01	0.94	0.67	0.94	1.11
Olives	purchasing	1.99	-	1.00	0.99	-	-	1.36
Grapes for food	purchasing	-	0.97	1.00	-	-	-	-
Other fruit	purchasing	-	-	-	-	0.47	0.47	0.55
Fresh paprika (without chilly pepper)	purchasing	-	-	0.80	-	0.64	0.36	0.44
Tomato	purchasing	0.28	0.62	0.60	1.00	0.28	0.25	0.25
Cucumber	purchasing	0.40	0.40	0.49	-	-	0.57	0.48
Watermelon and melon	purchasing	-	-	0.20	-	0.18	0.19	-
Green beans	purchasing	-	-	-	-	-	1.07	1.53
Cabbage (head)	purchasing	0.25	0.20	0.18	0.21	0.23	0.26	0.10
Carrot	purchasing	0.46	0.57	0.62	0.69	0.60	0.82	0.90
Onion (mature plant)	purchasing	0.43	0.50	0.41	0.32	0.47	0.55	0.50
Garlic (mature plant)	purchasing	1.21	1.27	1.06	1.17	1.75	1.86	2.02
Potato commercial	purchasing	0.15	0.35	0.26	0.25	0.38	0.42	0.28
Beans	purchasing	2.26	-	-	-	1.33	1.66	1.69
Other fresh vegetables	purchasing	1.19	0.92	0.84	0.72	5.69	0.38	1.42

The source: MONSTAT

3. Industrial crops

3.1. Tobacco in €/kg

Product	2002	2003	2004	2005	2006	2007	2008
Tobacco (dry leaf unfermented)	2.05	1.86	1.60	1.62	-	1.55	-
Tobacco (fresh leaf)	-	-	-	-	-	1.51	-
Average	2.05	1.86	1.60	1.62	-	1.53	-

The source: MONSTAT

4. Milk

4.1. Collecting prices of fresh cow milk €/l)

Month	2002	2003	2004	2005	2006	2007	2008
1	0.31	-	0.29	0.30	0.33	0.31	0.32
2	0.31	0.31	0.29	0.29	0.31	0.31	0.32
3	0.31	0.30	0.28	0.30	0.31	0.31	0.32
4	0.31	0.30	0.29	0.31	0.30	0.31	0.31
5	0.31	0.29	0.29	0.30	0.30	0.31	0.32
6	0.30	0.29	0.30	0.30	0.30	0.30	0.31
7	0.30	0.28	0.29	0.30	0.30	0.30	0.31
8	0.30	0.29	0.29	0.30	0.29	0.30	0.31
9	0.30	0.29	0.29	0.31	0.30	0.31	0.31
10	0.30	0.29	0.29	0.31	0.30	0.31	0.32
11	0.31	0.29	0.30	0.31	0.31	0.33	0.31
12	0.31	0.29	0.30	0.31	0.31	0.32	0.33
Average	0.31	0.29	0.29	0.30	0.31	0.31	0.32

The source: MONSTAT

11 Agriculture and rural development

5. Eggs

5.1. Collecting prices of table eggs (€/egg)

Month	2002	2003	2004	2005	2006	2007	2008
1	0.13	0.11	0.06	-	-	-	0.10
2	0.12	-	0.10	-	-	-	0.10
3	0.12	-	-	-	-	0.11	0.10
4	-	-	-	-	-	-	0.10
5	-	-	0.10	-	0.10	-	0.10
6	-	-	0.10	0.12	0.10	0.10	0.10
7	-	-	0.10	0.10	0.10	0.10	0.10
8	-	-	0.12	0.08	0.10	-	-
9	-	-	0.10	0.10	0.10	0.08	-
10	-	-	0.12	0.10	0.10	0.10	-
11	-	-	0.12	0.10	0.09	0.08	-
12	-	-	0.10	0.10	-	0.10	-
Average	0.12	0.11	0.10	0.10	0.10	0.10	0.10

The source: MONSTAT

6. Dairy products

6.1. Hard cheese – kackavalj and Trappist cheese (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	5.50
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	2.19	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	3.00	-	-	-
12	-	-	-	-	-	5.39	-
Average	-	-	2.19	3.00	-	5.39	5.50

The source: MONSTAT

6.2. Soft cheese – white cheese in slices (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.30	2.50	2.50	-	-	-	-
2	2.39	2.50	-	-	-	-	-
3	2.44	2.50	-	-	-	-	-
4	2.52	2.50	-	-	-	5.00	-
5	2.50	2.50	2.52	-	2.00	2.13	-
6	2.50	-	-	2.50	2.48	2.13	-
7	2.71	-	-	2.50	2.00	2.13	-
8	2.50	-	-	2.50	2.51	-	-
9	2.50	-	-	2.50	2.48	2.83	-
10	2.50	-	-	2.50	2.56	-	-
11	2.50	-	-	5.31	-	-	-
12	2.50	-	2.31	2.50	-	-	-
Average	2.49	2.50	2.44	2.90	2.34	2.84	-

The source: MONSTAT

6.3. Kajmak - skorup (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	17.50	-	-	-

11 Agriculture and rural development

12	-	-	-	-	-	-	-
Average	-	-	-	17.50	-	-	-

The source: MONSTAT

6.4. Other dairy products, without whey (rendered butter, cream and others) €/kg

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	2.65	-
9	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-
12	-	-	-	-	-	3.31	-
Average	-	-	-	-	-	2.98	-

The source: MONSTAT

7. Leather

7.1. Raw cow and calf hide (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	2.07	1.49	0.83	0.74	-	-	-
2	2.13	1.24	0.77	0.84	-	-	-
3	1.42	1.46	0.75	0.86	-	-	-
4	1.56	1.42	0.90	0.86	-	-	-
5	1.49	1.37	0.95	0.88	-	-	-
6	1.51	1.38	0.94	1.03	-	-	-
7	1.51	1.12	0.94	1.02	-	-	-
8	1.58	1.14	0.94	1.02	-	-	-
9	1.57	0.93	0.95	1.03	-	-	-
10	1.58	0.93	0.96	-	-	-	-
11	1.57	1.00	0.72	-	-	-	-
12	1.59	0.90	0.74	-	-	-	-
Average	1.63	1.20	0.87	0.92	-	-	-

The source: MONSTAT

8. Honey

8.1. Honey (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-
10	-	-	-	3.00	-	-	-
11	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-
Average	-	-	-	3.00	-	-	-

The source: MONSTAT

9. Other farming products

9.1. Medicinal herbs (€/kg)

Month	2002	2003	2004	2005	2006	2007	2008
1	0.55	-	-	-	-	-	-
2	0.56	0.81	-	-	-	-	-
3	0.80	0.80	0.82	-	-	-	-
4	1.46	0.80	-	-	-	-	-
5	1.27	0.80	-	-	-	-	-
6	1.22	-	-	-	-	-	-

11 Agriculture and rural development

7	-	-	-	-	-	-	-	2.00
8	0.80	0.75	-	-	-	-	-	-
9	0.80	0.80	-	-	-	-	-	0.45
10	0.80	0.80	-	-	-	-	-	-
11	0.80	0.80	-	-	-	-	-	-
12	0.80	-	-	-	-	-	-	-
Average	0.90	0.80	0.82	-	-	-	-	1.23

The source: MONSTAT

10. Fish (fresh)

Product	Price	2002	2003	2004	2005	2006	2007	2008
Sea fish	purchasing	-	-	-	-	-	-	-
Other sea fish	purchasing	-	-	2.24	1.26	-	-	-
Trout	purchasing	-	-	-	-	-	-	-
Carp	purchasing	-	-	-	-	-	-	-
Other fresh water fish	purchasing	-	-	2.24	1.26	-	-	-
Average	-	-	-	2.24	1.26	-	-	-

The source: MONSTAT

Methodological notes:

1. Data on collecting of agricultural products from individual producers are collected. This report also covers the quantities of products taken over, which were produced according to the agreement on association of the labour, resources and land of the individual producers and enterprises.
2. The value of the products collected from individual producers means the value of the products taken over and it is calculated according to the prices that collecting enterprises pay to the individual producers for the products collected. The premiums the individual producers get for the delivered products for which the premium is prescribed are not included in the value of the products collected.
3. Average collecting prices are calculated when the value is divided with the quantity. The prices are expressed in EUR with two decimals.

Retail prices

Retail prices of vegetables and fruit in 2006 (€/kg)

1. Retail prices of vegetables and fruit

Product categories	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
VEGETABLES													
Mangold	2.20	2.00	0.95	0.68	0.77	0.73	0.90	1.12	1.50	1.40	1.14	1.68	1.25
Green beans	-	-	-	-	2.63	0.83	1.45	1.28	1.37	0.98	1.00	-	1.36
Celery	2.00	-	2.75	-	3.50	2.83	2.50	1.80	2.00	1.88	1.70	1.63	2.26
Beetroot	0.70	0.80	0.73	0.75	1.03	1.33	0.90	0.72	0.63	0.70	0.66	0.70	0.80
Melon	-	-	-	-	2.00	1.67	0.48	0.48	0.80	1.00	-	-	1.07
Peas	-	-	-	-	-	1.00	1.00	-	-	-	-	-	1.00
Cauliflower	2.00	2.00	1.88	2.25	1.67	1.00	1.13	1.83	1.50	0.90	1.45	1.30	1.58
Kale	2.00	1.55	1.95	1.00	-	1.00	1.00	0.70	1.00	1.00	1.45	1.31	1.27
Cucumber	2.50	3.50	2.38	1.75	0.73	0.45	0.51	0.58	0.60	0.73	1.33	2.18	1.44
Potato	0.60	0.60	0.60	0.58	0.68	-	0.50	0.50	0.55	0.50	0.54	0.50	0.56
Cabbage	0.50	0.50	0.68	0.73	0.47	0.20	0.26	0.30	0.33	0.34	0.38	0.30	0.42
Watermelon	-	-	-	-	-	0.80	0.36	0.24	0.26	-	-	-	0.42
Garlic	4.00	4.00	3.67	3.50	-	-	2.50	2.20	2.69	2.69	2.69	2.63	3.06
Onion	0.90	0.70	0.58	0.68	0.80	1.00	0.85	0.78	0.70	0.83	0.79	0.96	0.80
Paprika	-	3.00	3.50	3.50	2.84	1.17	0.90	0.80	0.79	0.73	1.21	2.14	1.87
Tomato	2.00	2.50	2.38	2.00	1.83	1.07	0.68	0.67	0.68	0.88	1.23	1.88	1.48
Beans	1.67	1.83	1.80	1.77	1.81	1.71	1.81	1.77	1.94	1.90	1.83	1.82	1.81
Aubergine	-	-	3.00	3.25	-	2.00	1.18	0.58	0.73	0.70	0.93	2.00	1.60
Parsley	3.00	3.00	2.25	2.50	4.00	3.00	2.33	2.17	2.00	1.88	1.90	2.00	2.50

11 Agriculture and rural development

Leek	1.20	1.00	1.43	1.33	1.50	1.00	1.50	1.25	1.00	0.95	0.96	1.00	1.18
Borecole	1.00	-	1.43	1.18	0.77	0.75	0.95	1.25	1.00	0.85	1.12	1.05	1.03
Radish	2.00	-	2.00	-	-	1.50	1.50	-	2.00	1.50	1.30	1.30	1.64
Button mushrooms	-	-	3.50	-	3.00	-	-	-	-	-	-	3.00	3.17
Carrot	1.00	1.00	1.07	1.07	1.35	1.00	0.95	0.88	1.00	1.00	1.00	0.95	1.02
Spinach	2.20	2.00	1.25	0.80	1.10	1.00			1.50	1.75	1.18	1.30	1.41
Courgette			3.00	2.13	0.60	0.37	0.46	0.58	0.65	0.78	1.00	2.50	1.21
Lettuce	1.00	1.00	0.90	1.00	0.90	0.90	1.07	2.00	2.00	1.43	1.33	1.20	1.23
FRUIT													
Almond	-	-	-	-	-	-	-	-	15.00	12.00	12.00	12.00	12.75
Banana	1.00	1.00	1.00	1.20	1.20	0.93	0.80	0.76	0.78	0.85	1.00	1.00	0.96
Blueberry	-	-	-	-	-	-	-	2.83	3.38	2.83	-	-	3.01
Peach	-	-	-	-	-	1.10	0.70	0.78	1.00	1.30	-	-	0.98
Quince	-	-	2.00	-	-	-	-	-	-	0.77	1.67	1.75	1.55
Grapes white	-	-	-	-	-	1.50	1.50	1.60	1.12	0.95	1.47	2.00	1.45
Grapes black	-	-	-	-	-	-	1.50	1.09	0.99	0.91	1.30	2.00	1.30
Apple	1.00	0.58	0.71	1.07	1.02	1.13	1.07	1.01	1.00	0.85	0.74	0.67	0.90
Strawberry	-	-	-	5.00	5.00	2.00	2.00	2.00	2.00	-	-	-	3.00
Apricot	-	-	-	-	-	2.25	1.40	1.25	-	-	-	-	1.63
Chestnut	2.00	2.00	-	-	-	-	-	-	-	1.67	1.40	1.88	1.79
Kiwi	1.00	1.00	1.30	5.00	1.40	2.35	-	-	1.00	1.18	1.00	0.75	1.60
Pear	1.00	1.50	1.58	2.17	2.25	2.10	1.63	1.26	1.50	1.40	1.43	1.50	1.61
Lemon	1.00	1.00	1.00	1.00	1.00	1.00	1.15	1.00	1.00	1.00	1.00	1.00	1.01
Hazel-nut	-	-	15.00	15.00	15.00	15.00	15.00	15.00	14.00	12.75	11.60	11.50	13.99
Raspberry		-	-	-	-	4.00	2.33	2.50	-	-	-	-	2.94
Tangerine	1.20	1.50	1.28	1.43	1.50	1.50	1.00	-	-	1.40	0.68	0.58	1.21
Olives	4.00	3.00	4.00	3.33	3.50	3.00	3.20	3.89	3.38	3.56	3.59	3.88	3.53
Pomegranate	-	-	-	-	-	-	-	-	1.00	0.88	0.78	0.90	0.89
Nectarine	-	-	-	-	-	1.48	1.08	0.90	1.21	2.75	-	-	1.48
Walnut	5.00	5.50	6.00	5.75	5.67	6.33	6.00	6.40	6.88	6.13	5.80	5.63	5.92
Orange	0.80	0.80	1.00	1.08	1.10	1.17	1.30	1.26	1.23	1.50	1.35	1.00	1.13
Plum	-	-	-	-	-	-	1.27	0.77	0.88	1.15	-	-	1.02
Fig	-	-	-	-	-	2.50	1.33	1.00	0.87	1.20	-	-	1.38
Sweet cherry	-	-	-	-	-	2.17	1.50	-	-	-	-	-	1.83
Sour cherry	-	-	-	-	-	1.50	1.38	1.50	-	-	-	-	1.46

The source: AMIS

Retail prices of vegetables and fruit in 2007 (€/kg)

Product categories	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
VEGETABLES													
Mangold	2.00	1.43	0.72	0.93	0.80	0.70	0.78	1.50	1.83	1.18	1.40	2.25	1.29
Green beans	-	-	-	-	2.24	1.14	1.33	1.64	1.86	1.64	1.50	-	1.62
Celery	2.00	2.00	1.50	1.50	1.90	2.00	2.00	2.00	2.13	1.88	2.00	2.13	1.92
Beetroot	0.70	0.63	0.60	0.58	0.74	0.78	0.73	0.74	0.70	0.75	0.82	0.95	0.73
Melon	-	-	-	-	3.25	1.38	0.40	0.56	1.15	1.00	1.00	-	1.25
Peas	-	-	-	-	1.50	-	-	-	-	-	-	-	1.50
Cauliflower	1.85	1.85	1.50	2.25	1.60	1.03	1.88	1.88	1.38	1.38	1.07	1.24	1.57
Kale	1.41	1.38	1.13	1.00	1.20	-	0.90	1.27	1.00	0.80	1.57	1.53	1.20
Cucumber	2.33	2.00	2.30	2.06	0.92	0.37	0.53	0.76	0.90	1.00	1.62	1.95	1.39

11 Agriculture and rural development

Potato	0.50	0.55	0.52	0.48	0.50	-	0.41	0.60	0.71	0.76	0.91	0.99	0.63
Cabbage	0.29	0.29	0.42	0.53	0.38	0.28	0.58	0.88	0.73	0.55	0.50	0.50	0.49
Watermelon	-	-	-	-	-	0.50	0.23	0.41	0.57	0.50	-	-	0.44
Garlic	3.08	3.00	2.80	3.00	2.50	2.38	2.50	2.70	3.00	2.88	3.00	3.00	2.82
Onion	1.10	1.08	0.82	1.00	1.09	0.99	0.85	0.85	1.06	1.20	1.12	1.06	1.02
Paprika	2.29	3.10	3.25	4.29	3.06	1.06	0.81	1.01	1.01	1.10	1.48	2.19	2.05
Tomato	2.31	2.25	2.25	2.25	1.65	0.98	0.43	1.08	1.33	1.36	1.51	1.63	1.58
Beans	1.83	1.83	1.86	2.92	1.83	1.83	1.75	1.66	1.67	1.88	2.07	2.28	1.95
Aubergine	2.50	2.33	2.10	2.00	2.17	1.68	0.50	0.68	0.75	0.65	0.64	1.83	1.49
Parsley	1.88	2.00	1.50	1.50	2.00	2.00	2.00	2.00	2.13	2.00	2.00	2.00	1.92
Leek	1.00	1.00	1.00	0.95	1.50	1.20	1.33	1.05	1.18	1.23	1.16	1.18	1.15
Borecole	1.38	1.48	1.22	1.05	0.80	0.78	0.95	1.10	1.00	1.00	1.00	1.00	1.06
Radish	1.13	1.25	1.10	1.13	1.00	1.50	-	-	1.00	-	1.40	1.50	1.22
Button mushrooms	-	2.50	-	-	-	-	-	-	-	-	3.50	3.00	3.00
Carrot	0.85	0.80	0.80	0.85	1.00	1.00	1.00	1.36	1.50	1.15	1.06	1.24	1.05
Spinach	1.63	1.18	0.88	0.95	1.20	2.00	-	-	-	2.63	1.86	2.00	1.59
Courgette	1.75	1.70	1.70	1.70	0.60	0.38	0.50	0.82	0.83	0.80	1.50	2.17	1.20
Lettuce	1.31	1.19	0.90	1.35	1.07	1.45	1.75	2.00	2.00	1.63	2.03	2.10	1.56
FRUIT													
Almond	12.00	12.00	12.00	12.00	11.60	12.00	12.00	12.00	12.00	12.00	12.00	12.00	11.97
Banana	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.94	1.00	1.00
Blueberry	-	-	-	-	-	-	-	5.00	5.50	-	-	-	5.25
Peach	-	-	-	-	1.20	1.05	0.75	1.34	1.43	-	-	-	1.15
Quince	2.00	1.38	1.44	1.50	-	-	-	-	-	0.90	0.66	1.15	1.29
Grapes white	1.88	2.83	3.50	3.50	3.50	3.50	0.90	1.12	1.29	1.21	1.48	2.31	2.25
Grapes black	1.67	2.83	3.50	3.50	3.50	3.50	1.52	1.11	1.20	1.12	1.40	2.50	2.28
Apple	0.78	0.85	0.97	0.95	1.06	1.15	1.18	1.16	1.13	0.99	0.83	0.86	0.99
Strawberry	-	-	-	4.00	2.30	2.25	2.00	-	-	-	-	-	2.64
Apricot	-	-	-	-	2.75	2.43	1.93	2.50	-	-	-	-	2.40
Chestnut	2.00	2.00	3.50	3.00	-	-	-	-	-	1.50	1.62	2.25	2.27
Kiwi	0.78	1.05	1.22	1.43	1.63	2.25	-	-	-	1.00	1.04	1.00	1.27
Pear	1.44	1.55	1.71	1.94	2.14	2.25	1.63	1.32	1.35	1.43	1.41	1.96	1.68
Lemon	1.09	1.00	1.00	1.00	1.12	1.20	1.20	1.16	1.05	1.20	1.54	1.50	1.17
Hazel-nut	10.00	12.00	10.40	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.20
Raspberry	-	-	-	-	-	2.38	2.63	-	-	-	-	-	2.50
Tangerine	0.95	1.36	1.49	1.50	1.50	1.50	-	-	2.00	0.98	0.64	0.80	1.27
Olives	4.00	4.00	4.00	4.00	4.00	3.67	3.67	4.00	4.25	4.38	4.38	4.67	4.08
Pomegranate	0.85	0.50	-	-	-	-	-	-	1.00	0.95	1.02	2.13	1.07
Nectarine	-	-	-	-	-	1.70	1.40	1.09	1.35	1.50	-	-	1.41
Walnut	6.00	5.63	5.50	5.50	5.75	6.50	7.00	6.50	8.38	7.50	6.80	6.25	6.44
Orange	2.19	0.99	0.98	1.04	1.20	1.23	1.50	1.50	1.50	1.50	1.30	1.09	1.33
Plum	-	-	-	-	-	2.00	1.23	0.97	0.80	1.00	-	-	1.20
Fig	-	-	-	-	-	1.60	-	1.30	1.75	-	-	-	1.55
Sweet cherry	-	-	-	-	2.75	2.00	1.50	-	-	-	-	-	2.08
Sour cherry	-	-	-	-	3.00	1.43	1.23	-	-	-	-	-	1.88

The source: AMIS

Retail prices of vegetables and fruit in 2008 (€/kg)

11 Agriculture and rural development

Product categories	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
VEGETABLES													
Mangold	2.60	1.38	0.83	1.10	0.92	0.85	1.06	1.27	1.28	1.50	1.00	1.88	1.29
Green beans	-	-	-	-	4.14	1.33	1.70	1.63	2.00	1.77	1.55	-	2.00
Celery	2.80	3.00	3.00	3.38	4.50	3.75	2.60	3.00	2.63	2.40	1.88	2.00	2.83
Beetroot	0.96	1.00	1.00	1.30	2.00	1.63	1.00	1.00	1.00	1.00	1.00	0.90	1.15
Melon	-	-	-	2.07	2.38	1.71	0.49	0.53	0.88	-	-	-	1.14
Peas	-	-	-	-	3.00	1.83	-	-	-	-	-	-	2.42
Cauliflower	1.90	1.63	1.88	1.92	2.10	1.50	1.74	1.83	1.38	1.70	0.83	1.45	1.65
Kale	1.83	1.77	1.74	1.00			1.10	1.23	1.08	1.48	1.32	1.21	1.38
Cucumber	2.10	2.00	2.13	1.71	0.95	0.58	0.78	0.70	0.73	1.14	1.50	2.00	1.33
Potato	0.89	0.80	0.83	0.84	0.82		0.55	0.67	0.70	0.70	0.65	0.63	0.73
Cabbage	0.54	0.68	1.00	1.30	0.70	0.50	0.42	0.40	0.35	0.40	0.33	0.30	0.56
Watermelon	-	-	-	2.50	1.75	0.95	0.31	0.33	0.40	-	-	-	0.90
Garlic	3.40	3.25	3.00	3.63	2.50	2.25	2.80	3.00	3.00	3.00	3.38	3.50	3.06
Onion	1.16	1.31	1.50	1.26	1.09	1.09	0.97	1.00	0.90	0.90	0.98	0.93	1.08
Paprika	2.90	3.50	3.63	3.25	3.23	1.50	1.10	0.97	1.15	1.44	1.49	2.03	2.16
Tomato	1.90	2.00	1.75	1.50	1.83	1.26	0.64	0.87	0.93	1.30	1.36	1.50	1.39
Beans	2.20	2.17	2.18	2.17	2.17	2.17	2.17	2.17	2.35	2.40	2.33	2.33	2.26
Aubergine	2.20	2.63	2.50	2.50	2.44	2.50	0.78	0.63	0.85	1.00	1.00	2.00	1.76
Parsley	2.67	3.00	3.00	3.00	3.20	3.00	2.90	3.00	2.63	2.40	2.00	2.00	2.76
Leek	1.04	1.00	1.00	1.30	1.50	-	1.75	1.23	1.50	1.44	1.20	1.20	1.29
Borecole	1.00	0.90	1.55	2.13	1.40	1.00	1.08	1.20	1.33	1.20	1.00	1.00	1.20
Radish	1.60	1.13	1.50	1.50	1.67	-	2.00	-	-	1.50	1.50	1.75	1.56
Button mushrooms	2.63	-	-	4.50	4.50	-	-	-	-	-	2.00	2.00	2.78
Carrot	1.10	1.00	1.00	1.19	1.52	1.24	1.06	1.28	1.25	1.05	1.00	1.13	1.14
Spinach	2.10	1.50	1.13	1.13	1.30	2.00	1.75	-	-	2.60	1.30	1.75	1.68
Courgette	2.40	3.13	2.88	2.25	1.00	0.53	0.76	0.80	0.85	1.20	1.20	1.63	1.50
Lettuce	2.25	2.14	1.86	1.86	1.35	1.01	1.73	2.17	1.75	1.58	1.17	1.58	1.72
FRUIT													
Almond	11.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.08
Banana	0.96	1.05	1.25	1.18	0.92	0.80	0.80	0.93	1.00	0.92	0.78	0.90	0.96
Blueberry	-	-	-	-	-	-	4.75	4.00	4.50	-	-	-	4.42
Peach	-	-	-	-	-	1.30	0.98	1.42	1.50	1.50	-	-	1.34
Quince	1.88	2.00	-	-	-	-	-	-	-	1.38	2.50	2.38	2.03
Grapes white	2.77	4.00	4.67	4.25	3.90	3.40	3.00	1.04	1.11	1.37	1.43	1.30	2.69
Grapes black	2.20		4.63	4.25	4.00	3.50	3.03	1.32	1.11	1.23	1.26	1.30	2.53
Apple	0.98	1.23	1.27	1.34	1.52	1.60	1.44	1.30	1.17	0.95	0.87	0.87	1.21
Strawberry	-	-	6.00	5.27	3.30	2.94	2.50	-	-	-	-	-	4.00
Apricot	-	-	-	-	3.25	2.00	2.14	-	-	-	-	-	2.46
Chestnut	2.10	2.00	-	-	-	-	-	-	-	1.75	1.50	1.50	1.77
Kiwi	1.09	1.28	1.94	2.25	1.80	1.50	2.50	1.60	1.00	1.50	1.05	1.00	1.54
Pear	1.84	2.13	2.00	2.00	2.00	2.00	1.73	1.70	1.31	1.50	1.45	1.58	1.77
Lemon	1.47	1.56	2.00	1.93	1.97	2.50	1.96	1.50	1.03	1.00	1.40	1.28	1.63
Hazel-nut	12.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	9.13	10.09
Raspberry	-	-	-	-	-	5.50	4.30	-	-	-	-	-	4.90
Tangerine	1.32	1.84	2.00	1.50	1.56				3.50	1.02	0.53	0.78	1.56
Olive	5.20	5.00	5.00	5.00	4.80	5.00	5.10	5.67	5.88	5.20	5.00	5.00	5.15
Pomegranate	1.70	2.00	-	-	-	-	-	-	2.00	1.20	1.00	1.63	1.59

11 Agriculture and rural development

Nectarine					3.50	1.81	1.08	1.43	1.50	1.70			1.84
Walnut	6.40	6.13	6.00	6.00	6.00	6.75	8.00	8.00	8.00	7.80	6.25	6.00	6.78
Orange	0.88	0.88	1.05	1.20	1.20	1.20	1.20	1.30	1.28	1.30	1.36	1.20	1.17
Plum	-	-	-	-	-	1.75	1.18	1.00	1.03	1.23	-	-	1.24
Fig	-	-	-	-	-	3.00	1.50	2.25	1.38	1.83	-	-	1.99
Sweet cherry	-	-	-	-	4.00	2.50	-	-	-	-	-	-	3.25
Sour cherry	-	-	-	-	2.75	1.88	1.67	-	-	-	-	-	2.10

The source: AMIS

Methodological notes:

Retail prices of vegetables and fruit are obtained by weekly collecting of prices at green groceries throughout the year.

2. Retail prices of flour

Product	Price/kg	2000 DEM	2001 DEM	2002 €	2003 €	2004 €	2005 €	2006 €	2007 €	2008 €
Wheat flour T-500	Average	0.55	0.80	0.51	0.50	0.56	0.56	0.54	0.55	0.63
Maize flour	Average	-	-	-	1.10	1.11	1.20	1.27	1.35	1.44

The source: MONSTAT

3. Retail prices of dry-cured meat products

Product	Price/kg	2000 DEM	2001 DEM	2002 €	2003 €	2004 €	2005 €	2006 €	2007 €	2008 €
Smoked pork ribs	Average	5.06	5.87	3.80	3.92	3.92	3.99	4.10	4.11	4.21
Smoked pork neck	Average	14.74	16.26	9.45	9.81	10.07	10.17	10.35	10.33	10.36
Ham (pressed)	Average	10.53	11.56	6.60	7.45	7.57	7.60	7.68	7.72	7.84
Smoked bacon	Average	8.84	10.14	6.24	6.49	6.71	6.80	6.98	7.13	7.32
Ham salami	Average	7.20	8.80	5.00	5.24	5.18	5.20	5.40	5.71	6.14
Sausages	Average	7.87	8.78	4.88	5.05	5.14	5.05	4.94	4.96	5.02
Hot dogs	Average	6.08	6.99	4.03	4.21	4.21	4.01	3.94	4.10	4.47
Mortadella	Average	6.35	7.49	4.31	4.72	4.82	4.88	4.93	5.10	5.37
Tea sausage	Average	11.64	13.45	7.97	8.13	8.15	8.13	8.18	8.50	9.16

The source: MONSTAT

4. Retail prices of meat

Product	Price/kg	2000 DEM	2001 DEM	2002 €	2003 €	2004 €	2005 €	2006 €	2007 €	2008 €
Baby beef with bones	Average	6.92	7.41	4.28	4.45	4.51	4.58	4.79	4.99	5.28
Baby beef boneless	Average	8.05	8.53	4.99	5.10	5.26	5.40	5.75	6.06	6.42
Veal with bones	Average	8.11	8.85	5.40	5.55	5.55	5.61	5.87	6.19	6.58
Veal boneless	Average	10.55	11.37	6.78	6.70	6.81	6.99	7.61	8.08	8.61
Pork with bones	Average	7.74	8.03	4.38	4.38	4.44	4.55	4.59	4.80	4.95
Pork boneless	Average	8.92	9.19	5.85	5.67	5.63	5.72	5.60	5.70	5.75
Lamb	Average	9.14	8.59	5.51	5.30	5.45	5.71	6.04	6.23	6.23

The source: MONSTAT

Wholesale prices of vegetables and fruit in 2006 (€/kg)

Product categories	Jan.	Feb.	Mar	Apr	May	Jun	Jul	Aug.	Sept.	Oct.	Nov.	Dec.	Average
VEGETABLES													
Mangold	-	1.50	0.63	0.40	0.55	0.40	0.50	0.95	1.07	0.98	0.82	1.38	0.83
Green beans	-	-	-	-	3.00	0.52	0.53	0.93	0.95	0.62	0.70	-	1.04
Celery	3.00	1.60	2.50	2.00	2.55	1.83	1.13	0.84	0.98	0.90	0.85	0.68	1.57
Beetroot	-	-	0.40	0.42	0.80	0.80	0.43	0.43	0.36	0.30	0.30	0.33	0.46
Melon	-	-	-	3.25	2.50	1.54	0.31	0.35	0.85	1.20	2.00	2.03	1.56
Peas	-	-	-	-	1.20	0.65	-	-	-	-	-	-	0.93
Cauliflower	-	1.60	1.25	2.00	1.05	0.50	0.42	-	1.00	0.59	0.93	0.91	1.03
Kale	-	-	1.66	-	0.65	0.55	-	-	-	1.00	1.07	0.71	0.94
Cucumber	-	2.50	1.75	1.38	0.52	0.28	0.30	0.30	0.39	0.43	1.06	1.58	0.95
Potato	-	-	0.35	0.36	0.52	0.33	0.32	0.29	0.29	0.30	0.30	0.28	0.33
Cabbage	-	0.35	0.41	0.45	0.28	0.09	0.11	0.16	0.15	0.20	0.23	0.17	0.24
Watermelon	-	-	-	-	1.83	0.53	0.23	0.18	0.19	0.25	-	1.55	0.68

11 Agriculture and rural development

Garlic	-	2.00	1.80	1.97	1.45	1.50	1.44	1.13	1.35	1.75	1.50	1.55	1.59
Onion	-	0.35	0.38	0.43	0.60	0.50	0.50	0.41	0.36	0.43	0.49	0.47	0.45
Paprika	-	2.50	2.48	2.71	2.35	1.18	0.82	0.56	0.51	0.50	0.90	1.71	1.47
Tomato	-	1.40	1.40	1.55	1.50	0.88	0.39	0.32	0.37	0.52	0.70	1.13	0.92
Beans	-	-	1.45	1.22	1.23	1.18	1.11	1.20	1.11	1.15	1.16	1.17	1.20
Aubergine	-	-	2.25	2.25	-	1.80	0.78	0.31	0.42	0.46	0.77	1.40	1.16
Parsley	-	-	2.50	-	-	1.50	1.75	1.47	1.25	1.40	1.27	1.13	1.53
Leek	-	0.80	0.93	0.77	-	-	-	0.77	0.50	0.50	0.56	0.53	0.67
Borecole	-	0.50	0.93	0.70	0.53	0.50	-	0.70	0.65	0.55	0.60	0.73	0.64
Radish	-	-	0.58	0.40	-	-	-	-	0.50	0.80	0.45	0.40	0.52
Button mushrooms	-	1.50	-	3.00	3.75	-	-	-	-	-	-	-	2.75
Carrot	-	0.70	0.58	0.63	0.85	0.63	0.43	0.40	0.42	0.48	0.50	0.57	0.56
Spinach	-	1.50	1.50	0.50	0.70	-	-	-	-	0.90	0.86	1.10	1.01
Courgette	-	-	2.00	1.50	0.35	0.10	0.24	0.40	0.42	0.44	1.63	1.55	0.86
Lettuce	-	0.80	0.75	0.85	0.55	0.63	0.50	2.00	1.02	0.80	0.94	0.98	0.89
FRUIT													
Almond	-	-	-	-	-	-	-	-	-	-	-	8.40	8.40
Banana	-	0.88	0.90	0.94	0.89	0.76	0.64	0.54	0.55	0.62	0.76	0.75	0.75
Blueberry	-	-	-	-	-	-	2.00	-	-	-	-	-	2.00
Peach	-	-	-	-	-	0.91	0.63	0.63	0.78	0.85	-	-	0.76
Quince	-	-	1.47	-	-	-	-	-	1.50	0.45	1.30	1.20	1.18
Grapes white	-	-	3.48	3.30	3.50	-	2.87	1.39	0.93	1.01	1.08	1.30	2.10
Grapes black	-	-	-	3.30	3.50	3.40	2.45	1.03	0.81	0.88	1.21	1.41	2.00
Apple	-	0.55	0.63	0.74	0.84	0.91	0.87	0.72	0.65	0.53	0.50	0.52	0.68
Strawberry	-	-	7.25	4.17	1.45	1.90	1.20	-	-	3.50	10.00	9.00	4.81
Apricot	-	-	-	-	-	1.80	0.93	1.25	-	-	1.00	-	1.24
Chestnut	-	-	-	-	-	-	-	-	-	1.00	0.80	1.20	1.00
Kiwi	-	0.50	1.05	1.25	1.17	1.50	1.35	2.00	1.23	0.63	0.51	0.60	1.07
Pear	-	1.00	1.50	1.58	1.50	1.39	0.98	1.02	0.96	0.99	1.06	1.11	1.19
Lemon	-	0.70	0.71	0.70	0.72	0.73	0.73	0.66	0.66	0.70	0.65	0.61	0.69
Hazel-nut	-	-	-	-	-	-	-	-	9.00	-	8.00	6.60	7.87
Raspberry	-	-	-	-	-	2.50	1.03	-	-	-	-	-	1.77
Tangerine	-	0.80	0.99	1.00	1.07	0.98	1.02	-	-	1.03	-	0.48	0.92
Olives	-	-	-	-	-	-	-	-	-	-	-	3.00	3.00
Pomegranate	-	-	-	-	-	-	-	-	0.90	0.51	0.50	0.70	0.65
Nectarine	-	-	-	-	-	1.59	0.81	0.82	0.87	1.05	-	-	1.03
Walnut	-	-	5.50	-	-	4.70	-	-	5.80	5.50	5.10	4.75	5.23
Orange	-	-	0.68	0.73	0.72	0.73	0.90	0.89	0.88	1.00	0.99	0.69	0.82
Plum	-	-	-	-	-	1.50	0.88	0.55	0.55	0.63	-	-	0.82
Fig	-	-	-	-	-	2.00	0.80	1.00	0.70	1.00	-	-	1.10
Sweet cherry	-	-	-	-	1.65	2.00	-	-	-	-	-	-	1.83
Sour cherry	-	-	-	-	1.50	0.70	0.90	1.00	-	-	-	-	1.03

The source: AMIS

Wholesale prices of vegetables and fruit in 2007 (€/kg)

Product categories	Jan.	Feb.	Mar	Apr	May	Jun	Jul	Aug.	Sep.	Oct.	Nov.	Dec.	Average
VEGETABLES													
Mangold	1.60	1.08	0.44	0.53	0.42	0.30	0.50	0.88	1.23	0.75	1.00	1.45	0.85
Green beans	-	-	2.50	-	2.11	0.63	0.96	1.03	1.34	1.21	1.09	3.00	1.54
Celery	0.95	0.72	0.78	0.55	0.80	0.87	0.97	0.88	0.93	0.88	1.08	1.13	0.88
Beetroot	0.30	0.30	0.30	0.28	0.25	0.31	0.33	0.30	0.43	0.41	0.44	0.50	0.35
Melon	1.73	1.60	1.83	1.63	1.86	0.74	0.19	0.37	0.65	0.89	1.33	1.43	1.19
Peas	-	-	-	-	-	0.70	-	-	-	-	-	-	0.70
Cauliflower	1.16	1.08	0.91	1.47	0.90	0.68	1.00	1.23	0.83	0.75	0.68	0.95	0.97
Kale	0.65	0.78	0.56	0.57	0.70	0.63	0.57	0.50	0.70	0.85	0.82	1.04	0.70
Cucumber	1.55	1.85	1.72	1.53	0.63	0.21	0.30	0.37	0.48	0.61	1.05	1.11	0.95
Potato	0.28	0.24	0.23	0.18	0.20	0.23	0.19	0.30	0.33	0.35	0.34	0.35	0.27
Cabbage	0.11	0.17	0.26	0.26	0.15	0.11	0.32	0.53	0.38	0.30	0.29	0.35	0.27
Watermelon	-	1.60	1.50	1.60	1.40	0.36	0.12	0.25	0.31	0.35	1.40	1.50	0.94
Garlic	1.73	1.91	1.61	1.30	1.19	1.32	1.21	1.51	1.50	1.61	1.83	1.63	1.53
Onion	0.58	0.51	0.52	0.62	0.62	0.56	0.44	0.43	0.52	0.50	0.63	0.60	0.54
Paprika	1.95	2.42	2.29	3.18	2.04	0.86	0.50	0.67	0.62	0.75	1.19	2.21	1.56
Tomato	1.66	1.65	1.55	1.64	1.26	0.63	0.25	0.60	0.64	0.64	0.94	1.17	1.05
Beans	1.15	1.25	1.11	1.10	1.15	1.13	1.08	1.10	1.19	1.45	1.57	1.38	1.22
Aubergine	1.78	1.85	1.55	1.68	1.50	1.15	0.25	0.38	0.31	0.30	0.57	1.29	1.05
Parsley	1.00	1.00	1.00	1.00	0.90	1.00	1.50	1.46	1.50	1.43	1.40	1.50	1.22
Leek	0.55	0.61	0.58	0.52	0.78	1.00	0.90	0.78	0.80	0.75	0.79	0.68	0.73
Borecole	0.95	0.93	0.88	0.60	0.45	0.45	0.55	0.58	0.65	0.53	0.52	0.65	0.64
Radish	0.42	0.30	0.40	0.40	0.50	-	-	-	0.75	0.48	0.50	0.50	0.47
Button mushrooms	-	-	-	-	-	-	-	-	4.00	-	2.80	2.80	3.20
Carrot	0.54	0.56	0.48	0.45	0.57	0.55	0.56	0.72	0.70	0.72	0.76	0.65	0.61
Spinach	1.33	0.83	0.44	0.50	0.67	-	-	-	2.75	2.05	1.44	1.83	1.31

11 Agriculture and rural development

Courgette	1.33	1.47	1.44	1.30	0.32	0.20	0.25	0.35	0.42	0.48	1.62	1.23	0.87
Lettuce	0.55	0.62	0.49	0.73	0.62	1.16	1.00	1.30	1.40	1.54	1.45	1.43	1.02
FRUIT													
Almond	8.20	8.13	8.00	8.00	8.00	8.00	8.00	8.00	7.80	7.80	8.08	8.00	8.00
Banana	0.74	0.75	0.76	0.81	0.85	0.74	0.65	0.63	0.66	0.80	0.70	0.70	0.73
Blueberry	-	-	-	-	-	3.00	-	-	-	-	15.00	-	9.00
Peach	-	-	-	-	1.20	0.61	0.69	0.88	1.05	1.38	1.40	-	1.03
Quince	1.10	1.00	1.08	-	-	-	-	-	-	0.60	0.73	1.45	0.99
Grapes white	1.45	1.85	2.18	2.38	2.52	2.65	1.60	1.16	0.98	1.01	1.18	2.18	1.76
Grapes black	1.53	2.13	2.35	2.38	2.58	2.60	1.69	0.92	0.96	0.90	1.21	1.95	1.77
Apple	0.52	0.59	0.62	0.72	0.77	0.85	0.84	0.78	0.72	0.59	0.54	0.65	0.68
Strawberry	8.00	-	5.33	4.56	1.78	1.92	-	-	3.50	5.00	9.00	10.00	5.45
Apricot	-	-	-	-	2.52	1.69	1.50	1.65	-	-	-	-	1.84
Chestnut	1.75	2.00	1.73	1.50	-	-	-	-	-	1.15	1.24	1.84	1.60
Kiwi	0.63	0.80	0.96	0.95	1.04	1.48	1.00	-	1.30	1.11	0.78	0.71	0.98
Pear	1.08	1.18	1.17	1.25	1.41	1.51	1.08	0.94	1.07	1.13	1.16	1.19	1.18
Lemon	0.59	0.57	0.67	0.70	0.81	0.85	0.78	0.71	0.74	0.85	1.01	1.14	0.79
Hazel-nut	6.40	6.87	7.00	7.00	6.70	7.00	7.00	7.00	7.10	7.30	7.20	7.55	7.01
Raspberry	-	-	-	-	-	1.93	2.15	1.66	-	-	-	-	1.91
Tangerine	0.73	0.98	1.05	1.05	1.00	1.00	-	1.36	1.40	0.58	0.41	0.56	0.92
Olives	-	-	1.50	-	-	-	-	-	-	-	-	-	1.50
Pomegranate	-	4.00	-	-	-	-	-	-	1.05	0.63	0.88	1.73	1.66
Nectarine	-	-	-	-	3.00	1.20	0.93	0.98	1.15	1.23	1.45	-	1.42
Walnut	5.00	5.00	4.60	4.50	4.75	5.50	6.00	6.00	6.75	6.60	5.40	5.40	5.46
Orange	0.65	0.69	0.73	0.75	0.83	0.86	1.13	1.01	1.05	1.00	0.87	0.78	0.86
Plum	-	-	-	-	-	-	0.85	0.61	0.51	0.79	1.50	-	0.85
Fig	-	-	-	-	-	1.05	-	0.75	1.10	-	2.00	-	1.23
Sweet cherry	-	-	-	-	1.90	1.50	-	10.00	-	-	-	-	4.47
Sour cherry	-	-	-	-	-	0.73	0.87	-	-	-	-	-	0.80

The source: AMIS

Wholesale prices of vegetables and fruit in 2008 (€/kg)

Product category	Jan.	Feb.	Mar.	Apr.	May	Jun	Jul	Aug.	Sep.	Oct.	Nov.	Dec.	Average
VEGETABLES													
Mangold	1.90	1.00	0.38	0.63	0.58	0.43	0.52	0.63	0.85	1.00	0.60	1.18	0.81
Green beans	-	-	-	-	2.86	0.76	1.11	1.10	1.29	1.11	1.00	-	1.32
Celery	1.66	2.25	2.25	2.13	2.90	2.18	1.70	1.17	1.03	1.00	0.95	0.95	1.68
Beetroot	0.51	0.59	0.60	1.00	1.30	0.78	0.50	0.50	0.48	0.46	0.45	0.45	0.63
Melon	1.50	1.50	1.60	1.60	1.75	1.20	0.35	0.33	0.46	0.80	1.45	1.50	1.17
Peas	-	-	-	-	1.30	0.75	-	-	-	-	-	-	1.03
Cauliflower	1.34	1.09	1.08	1.23	1.36	0.74	1.08	1.13	0.78	1.10	0.38	0.80	1.01
Kale	0.99	0.80	1.03	0.55	0.80	0.50	0.52	0.57	0.58	0.77	0.63	0.73	0.71
Cucumber	1.31	1.48	1.66	1.34	0.67	0.27	0.38	0.37	0.25	0.74	0.94	1.25	0.89
Potato	0.37	0.35	0.32	0.29	0.40	0.37	0.38	0.37	0.32	0.33	0.31	0.34	0.35
Cabbage	0.32	0.39	0.60	0.74	0.42	0.25	0.18	0.20	0.12	0.17	0.14	0.13	0.30
Watermelon	-	2.65	2.45	1.57	1.30	0.46	0.22	0.24	0.23	-	1.60	1.70	1.24
Garlic	1.60	1.78	1.92	1.41	1.00	0.86	1.23	1.13	1.08	1.12	1.34	1.11	1.30
Onion	0.56	0.56	0.53	0.61	0.60	0.56	0.50	0.43	0.36	0.41	0.46	0.44	0.50
Paprika	2.01	2.12	2.62	2.56	2.67	1.18	0.83	0.79	0.72	1.06	1.13	1.31	1.58
Tomato	1.22	1.29	1.31	1.42	1.46	0.70	0.31	0.40	0.46	0.90	0.80	1.00	0.94
Beans	1.40	1.37	1.38	1.43	1.43	1.41	1.43	1.44	1.41	1.56	1.51	1.47	1.44
Aubergine	1.81	1.50	1.73	1.80	1.35	1.50	0.55	0.47	0.40	0.42	0.50	1.06	1.09
Parsley	2.13	2.00	1.57	1.65	1.80	2.17	1.88	1.60	1.45	1.40	1.20	1.10	1.66
Leek	0.70	0.66	0.73	1.07	1.05	0.90	1.08	0.70	0.83	0.74	0.68	0.68	0.82
Borecole	0.72	0.73	1.03	1.38	0.70	0.50	0.54	0.60	0.78	0.56	0.53	0.58	0.72
Radish	0.53	0.50	0.65	0.50	0.40	-	-	-	0.55	0.49	0.50	0.50	0.51
Button mushrooms	3.00	-	3.40	3.63	3.35	2.90	2.60	-	-	-	-	-	3.15
Carrot	0.72	0.68	0.68	0.80	0.85	0.81	0.66	0.65	0.65	0.65	0.62	0.63	0.70
Spinach	1.62	1.23	0.83	0.75	0.76	0.90	-	-	-	1.80	0.88	1.30	1.12
Courgette	1.51	1.93	2.06	1.63	0.56	0.33	0.36	0.40	0.43	0.54	1.10	1.20	1.00
Lettuce	1.47	1.43	1.27	1.32	1.11	0.63	1.29	1.20	0.83	1.26	0.80	0.88	1.12
FRUIT													
Almond	7.56	7.80	7.60	7.50	7.18	6.80	6.80	6.93	7.20	6.37	7.00	7.00	7.15
Banana	0.73	0.79	1.09	0.96	0.79	0.69	0.61	0.73	0.76	0.72	0.69	0.72	0.77
Blueberry	-	-	-	-	-	-	4.50	3.50	3.50	-	-	-	3.83
Peach	-	4.00	3.20	3.33	2.27	0.95	0.84	0.88	0.99	1.17	-	10.00	2.76
Quince	1.30	1.33	-	-	-	-	-	-	-	0.45	1.83	1.25	1.23
Grapes white	2.76	2.95	3.38	2.66	2.60	2.88	2.74	1.37	1.04	1.07	1.23	1.35	2.17
Grapes black	3.03	-	-	-	2.90	-	2.46	0.95	0.85	0.79	1.50	-	1.78
Apple	0.74	0.80	0.88	1.02	1.16	1.26	1.23	1.03	0.77	0.62	0.53	0.60	0.89
Strawberry	10.00	-	4.50	3.98	2.47	2.55	2.02	-	-	-	-	9.00	4.93

11 Agriculture and rural development

Apricot	-	-	-	-	2.57	1.80	1.58	-	-	-	-	-	-	1.98
Chestnut	1.70	1.68	1.88	1.65	1.33	-	-	-	-	1.13	0.80	1.28	-	1.43
Kiwi	0.83	0.96	1.05	1.33	1.20	0.97	1.40	1.75	1.42	0.66	0.53	0.53	-	1.05
Pear	1.40	1.54	1.68	1.60	1.77	1.48	1.30	1.28	1.07	1.20	1.35	1.43	-	1.43
Lemon	1.08	1.24	1.53	1.55	1.71	1.84	1.34	0.93	0.79	0.95	0.93	0.80	-	1.22
Hazel-nut	7.48	7.60	7.60	7.20	6.96	7.20	7.00	7.00	7.00	7.00	7.00	7.00	-	7.17
Raspberry	-	-	-	-	-	-	4.03	2.83	-	-	-	-	-	3.43
Tangerine	0.92	1.35	1.42	1.02	1.19	1.30	1.65	1.70	2.60	0.66	0.40	0.63	-	1.24
Olives	4.00	-	-	-	-	-	-	-	-	4.00	1.50	-	-	3.17
Pomegranate	1.43	-	-	-	-	-	-	-	1.05	0.63	0.78	1.03	-	0.98
Nectarine	4.50	4.00	-	3.50	2.21	1.52	1.16	1.21	1.11	1.22	1.00	10.00	-	2.86
Walnut	5.04	5.08	5.00	5.00	5.08	5.50	6.40	6.67	6.50	6.30	5.23	5.00	-	5.57
Orange	0.71	0.75	0.83	0.95	0.96	0.93	0.97	0.96	0.88	0.91	0.99	0.84	-	0.89
Plum	1.00	4.00	2.00	3.50	-	1.28	1.09	0.77	0.65	1.20	1.70	1.35	-	1.69
Fig	-	-	-	-	-	0.80	1.50	1.50	0.95	1.30	-	-	-	1.21
Sweet cherry	15.00	-	-	-	3.14	2.29	-	-	-	-	-	15.00	-	8.86
Sour cherry	-	-	-	-	-	1.38	1.00	-	-	-	-	-	-	1.19

The source: AMIS

The wholesale prices of vegetables and fruit are obtained by weekly collecting of the prices from the wholesale market in Podgorica throughout the year.

Selling prices from the livestock markets €

Product category	Unit	Jan.	Feb	Mar	Apr	May	Jun	Jul	Aug.	Sep	Oct.	Nov.	Dec	Average
2006														
Calves	kg	2.6	2.8	2.7	2.7	2.8	2.7	2.7	2.8	2.7	2.7	2.7	2.6	2.7
Bullocks and heifers	kg	1.8	1.8	1.9	1.9	1.9	1.8	1.8	1.9	1.9	1.8	1.8	1.7	1.8
Slaughter cows	kg	1.2	1.0	1.2	1.2	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Piglets	kg	3.5	3.7	3.2	3.2	3.1	-	-	-	-	-	2.0	2.0	3.0
Fattening pigs	kg	1.9	1.7	-	-	-	-	-	-	-	-	2.0	2.0	1.9
Slaughter sows	kg	2.0	-	-	-	-	-	-	-	-	-	-	1.9	2.0
Lambs	kg	2.3	2.9	2.8	2.8	2.6	2.6	2.4	2.3	2.1	2.1	2.1	2.5	2.5
Slaughter sheep	kg	-	-	1.9	1.9	1.9	1.9	16.4	1.7	1.6	8.8	1.4	1.7	3.9
Rams	kg	2.1	1.9	2.0	2.0	2.0	48.1	-	2.3	2.0	1.5	2.2	2.0	6.2
Kids	kg	2.5	2.4	3.1	3.1	3.0	2.9	2.7	2.7	2.5	2.4	2.3	2.2	2.6
Slaughter goats	kg	1.6	2.0	1.8	1.8	1.8	-	0.8	-	-	90.0	1.8	1.6	11.5
Sheep for breeding	head	-	-	-	-	-	121.7	117.8	98.3	106.1	93.8	102.9	110.8	107.3
Goats for breeding	head	-	-	-	-	-	100.0	86.7	77.8	71.6	72.5	70.2	66.8	77.9
Heifers for breeding	head	-	-	743.9	743.9	825.1	841.3	815.6	703.1	725.0	698.4	647.4	849.3	759.3
Cows for breeding	head	-	-	729.3	729.3	757.9	885.7	799.0	822.1	810.0	750.7	792.8	829.4	790.6
2007														
Calves	kg	2.6	2.6	2.7	2.7	2.7	2.7	2.6	2.7	2.7	2.6	2.6	2.6	2.6
Bullocks and heifers	kg	1.7	1.9	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.7	1.7	1.8	1.8
Slaughter cows	kg	1.1	1.1	1.0	1.1	1.0	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.0
Piglets	kg	2.6	2.6	2.7	2.7	2.7	2.5	2.5	2.5	2.5	2.4	2.5	2.4	2.6
Fattening pigs	kg	2.0	-	-	-	-	-	-	-	-	2.1	2.1	2.0	2.0
Slaughter sows	kg	-	-	3.1	-	-	-	-	-	1.6	-	-	-	2.3
Lambs	kg	2.7	2.7	2.8	2.7	2.6	2.5	2.3	2.2	2.2	2.2	2.2	2.5	2.5
Slaughter sheep	kg	1.9	2.0	2.0	1.9	1.8	1.9	2.1	1.7	1.6	1.7	1.5	1.7	1.8
Rams	kg	2.0	2.1	2.0	1.8	2.0	2.0	2.0	2.0	1.9	2.1	2.1	2.1	2.0
Kids	kg	1.7	3.7	3.0	2.8	2.6	2.6	2.5	2.4	2.4	2.3	2.3	2.3	2.6

11 Agriculture and rural development

Slaughter goats	kg	1.5			1.6						80.0	75.0		39.5
Sheep for breeding	head	118.1	124.0	131.6	142.2	116.8	114.0	98.0	95.2	101.5	95.0	95.2	96.7	110.7
Goats for breeding	head	94.4	113.8	111.8	109.2	94.0	88.1	86.1	71.9	79.4	79.0	75.0	74.3	89.8
Heifers for breeding	head	803.9	774.5	894.2	1016.7	914.6	975.0	925.0	930.6	897.2	817.4	830.6	988.0	897.3
Cows for breeding	head	796.8	824.7	798.2	992.7	965.6	840.5	821.7	878.8	812.4	856.6	834.0	822.6	853.7
2008														
Calves	kg	2.6	2.5	2.6	2.6	2.6	2.8	2.8	3.1	3.0	3.0	3.0	3.0	2.8
Bullocks and heifers	kg	1.9	1.8	1.7	1.7	1.7	1.9	1.9	1.9	1.9	1.8	1.8	1.8	1.8
Slaughter cows	kg	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.1	1.0	1.0
Piglets	kg	2.7	2.6	2.5	2.5	2.8	3.4	3.3	3.3	3.3	3.3	3.3	3.3	3.0
Fattening pigs	kg	2.3										2.5	2.5	2.4
Slaughter sows	kg												1.2	1.2
Lambs	kg	2.5	2.7	2.8	2.7	2.6	2.4	2.3	2.3	2.3	2.4	2.4	2.4	2.5
Slaughter sheep	kg	1.5	1.7	1.9				2.0	1.8	1.8	1.6	1.6	1.5	1.7
Rams	kg	2.1	2.0	2.0	2.6				2.0	2.5	2.0	2.3	2.3	2.2
Kids	kg	2.4	2.3	2.3	2.9	2.7	2.6	2.6	2.6	2.6	2.7	2.5	2.7	2.6
Slaughter goats	kg		1.2								2.1		100.0	34.4
Sheep for breeding	head	102.3	99.5	112.8	126.3	135.7	132.2	118.0	118.0	109.5	95.4	96.7	109.0	113.0
Goats for breeding	head	68.9	77.2	85.0	100.0	110.0	123.8	96.5	82.5	78.3	83.2	80.0	83.3	89.1
Heifers for breeding	head	866.7	869.4	941.3	933.3	1150.0	966.7	1100.0	925.0	1275.0	1024.4	1083.3	993.8	1 010.7
Cows for breeding	head	836.7	850.0	959.8	986.4	990.7	954.4	1037.0	997.3	1036.1	1076.3	997.2	959.2	973.4

The source: AMIS

Methodological note:

The prices of livestock are obtained by weekly collecting of prices from the livestock markets in Montenegro throughout the year.

Prices of farming inputs in 2008 per months (€)

Product categories	Unit	Jan.	Feb	Mar	Apr.	May	Jun	Jul	Aug.	Sep.	Oct.	Nov.	Dec.	Average
Feed														
Wheat bran	kg	0.17	-	-	-	-	-	0.25	0.25	0.23	0.22	0.20	0.19	0.22
Feed meal	kg	0.16	-	-	-	-	-	0.26	0.24	0.23	0.21	0.18	0.17	0.21
Full feed mix for mixture for growingcalves – 18% proteins	kg	0.41	-	-	-	-	-	0.43	0.43	0.42	0.41	0.41	0.42	0.42
Full feed mix for fattening steers up to 300 kg – 14% proteins	kg	0.39	-	-	-	-	-	0.41	0.41	0.40	0.38	0.37	0.37	0.39
Full feed mix for dairy cows – 18 % proteins	kg	0.34	-	-	-	-	-	0.42	0.43	0.42	0.41	0.39	0.39	0.40
Full feed mix for growing and fattening lambs – 16 % proteins	kg	0.46	-	-	-	-	-	0.46	0.47	0.46	0.45	0.44	0.44	0.45
Starter for pigs – 20%	kg	0.49	-	-	-	-	-	0.48	0.48	0.47	0.47	0.47	0.49	0.48

11 Agriculture and rural development

proteins															
Full feedmix for fattening pigs ST1 – 16 % proteins	kg	0.41	-	-	-	-	-	0.43	0.43	0.42	0.37	0.36	0.35	0.40	
Meadow hay	kg	0.15	-	-	-	-	-	0.14	0.15	0.15	0.15	0.16	0.16	0.15	
Lucerne hay	kg	0.20	-	-	-	-	-	0.20	0.21	0.19	0.19	0.18	0.19	0.19	
Plant nutrition chemicals															
Chemical fertiliser KAN 27 %	50 kg	-	-	-	-	-	-	16.00	-	18.00	-	23.00	23.00	20.00	
Chemical fertiliser AN 34 %	50 kg	-	-	-	-	-	-	-	-	24.00	-	-	-	24.00	
Chemical fertiliser NPK 8:16:24	50 kg	-	-	-	-	-	-	27.00	-	27.00	-	32.00	30.00	29.00	
Chemical fertiliser NPK 15:15:15	50 kg	-	-	-	-	-	-	28.00	-	28.00	-	34.00	30.00	30.00	
Chemical fertiliser NPK 10:20:30	50 kg	-	-	-	-	-	-	-	-	-	-	27.00	27.00	27.00	
Chemical fertiliser UREA 46 %	50 kg	-	-	-	-	-	-	24.00	-	24.00	-	25.99	-	24.66	
Plant Protection Chemicals															
Fungicide Antracol WP 70	200 g	-	-	-	-	-	-	2.90	-	2.90	3.50	-	3.50	3.20	
Fungicide Mikal flash WG	500 g	-	-	-	-	-	-	12.65	-	12.50	10.00	-	12.00	11.79	
Fungicide Quadris Max ml	250 ml	-	-	-	-	-	-	12.50	-	12.50	12.50	-	12.00	12.38	
Fungicide Ridomil gold MZ 68 WG	250 g	-	-	-	-	-	-	6.55	-	6.50	6.70	-	6.70	6.61	
Fungicide Verita	200 g	-	-	-	-	-	-	7.75	-	8.00	7.50	-	7.50	7.69	
Herbicide Glifol	300 ml	-	-	-	-	-	-	3.50	-	3.50	-	-	-	3.50	
Herbicide Glifosav SL-480	1000 ml	-	-	-	-	-	-	9.50	-	9.50	9.00	-	9.00	9.25	
Herbicide Stomp 330-E	1000 ml	-	-	-	-	-	-	11.50	-	11.50	11.80	-	3.30	9.53	
Insecticide Actara 25-WG	20 g	-	-	-	-	-	-	5.60	-	5.60	5.60	-	5.60	5.60	
Insecticide Cipcord 20-EC	100 ml	-	-	-	-	-	-	3.20	-	3.20	3.10	-	3.20	3.18	
Insecticide Confidor 200-SL	50 ml	-	-	-	-	-	-	11.50	-	11.50	11.50	-	11.50	11.50	
Insecticide Decis 2,5 - EC	100 ml	-	-	-	-	-	-	4.70	-	4.20	4.20	-	4.20	4.33	
Insecticide Fastac 10 EC	50 ml	-	-	-	-	-	-	3.90	-	3.90	4.00	-	4.20	4.00	
Insecticide Lannate 90	100 ml	-	-	-	-	-	-	7.95	-	8.20	8.20	-	8.20	8.14	
Insecticide Cipcord 20-EC	50 ml	-	-	-	-	-	-	2.50	-	2.50	2.50	-	2.50	2.50	

The source: AMIS

Methodological notes:

The prices of agricultural inputs are obtained by weekly collecting of the prices from the agricultural pharmacies throughout the year in Montenegro.

r) Economic accounts for agriculture

The accounts are not kept. See Chapter 18, theme 4.04; module **4.04.01**.

s) Agricultural budget according to measures (support of markets, direct payments, social security, rural development) and total agricultural support

Agricultural budget planned in 2009 and after budget revision

Agricultural budget	Planned for 2009 (€)	%	After budget revision €	%
TOTAL AGROBUDGET	19 750 000.0	100.00	18 1130 43.9	100.00
AGRICULTURE	19 401 808.0	98.24%	17 764 851.9	98.08%
Measures of market-price policy	5 304 028.0	26.86%	530 4028	29.28%
Measures of rural development	5 946 000.0	30.11%	4 777 263.9	26.37%
Support to general services in agriculture	3 441 780.0	17.43%	299 6780	16.54%
Social transfers for rural population	2 900 000.0	14.68%	290 0000	16.01%
Technical and administrative support of the programme implementation	410 000.0	2.08%	386 780	2.14%
Conducting the agricultural census	1 400 000.0	7.09%	1 400 000	7.73%
FISHERY	315 000.0	1.59%	315 000	1.74%
Support of marine fishery and mariculture development	215 000.0	1.09%	215 000	1.19%
Support of fresh water fishery and aquaculture development	100 000.0	0.51%	100 000	0.55%
CONTINGENCY FOR UNFORSEENBUDGETARY EXPENDITURES	33 192.0	0.17%	33 192	0.18%

The source: Ministry of Agriculture, Forestry and Water Management

t) Trade flows (volumes) by product category (2004-2008):

Central Bank of Montenegro was in charge of processing and provision of information about the exchange of goods for 2004, and since 2005 the Statistics Office of Montenegro - Monstat has been appointed as an official institution for provision of this information.

Bearing in mind that the Central Bank processed the information about the goods import and export only in the form of currency with the aim of monitoring the balance of payment, there is no official information on the quantities of goods imported and exported for 2004.

The Customs Administration of Montenegro performs automated quota surveillance in the Customs Information System and has regularly monitored the utilisation of the quotas only since 2008, when the Stabilisation and Association Agreement entered into force, as well as CEFTA 2006.

By 2008, Customs Administration of the State Union of Serbia and Montenegro was in charge of the quota utilisation monitoring and since these were quotas were common for both members of the Union, we do not have available the information about the quota utilisation for that period.

Imports (indicating the amount of preferential trade):

11 Agriculture and rural development

- from the EU;

Import from the European Union in kilograms

CN	Chapter title	2004	2005*special relax system	2006*special relax system	2007 special system	2008 special system
01	Live animals		50 529	725 257	326 201	672 178
02	Meat and other edible slaughter products		5 800 613	6 898 041	12 845 054	19 494 857
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		304 354	374 430	835 126	757 834
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		1 500 193	1 030 511	1 832 671	2 122 694
05	Animal origin products, not indicated or included elsewhere		24 770	34 925	62 789	39 815
06	Live growing trees and other plants; bulbs, roots and the like; cut flowers and decorative leaves		169 652	494 329	945 479	1 420 648
07	Edible vegetables, roots and tubers		2 437 315	2 064 741	3 371 884	4 431 665
08	Edible fruit including nuts;, peel of citrus fruits or of melon and watermelon		3 331 202	2 382 615	15 080 355	11 897 659
09	Coffee, tea, Mate and spices		191 302	222 013	7 501 588	5 902 448
10	Cereals		727 710	779 463	885 689	5 963 064
11	Mill industry products; malt; starch; inulin; wheat gluten		2 350 941	2 373 895	1 661 870	1 671 711
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		85 036	143 871	107 608	179 452
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		337 585	161 333	279 089	1 322 396
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		614 290	685 467	1 170 565	1 477 935
17	Sugar and sugar confectionery		16 697 280	22 447 635	438 121	117 525
18	Cocoa and cocoa preparations		495 006	364 544	801 304	954 336
19	Products based on cereals, flour, starch or milk; pastry		1 739 522	1 826 307	3 564 897	3 998 448
20	Products of vegetables, fruit, including nuts, and other parts of plants		773 892	456 173	2 360 680	2 341 641
21	Miscellaneous edible products		412 490	531 565	858 086	840 089
22	Beverages, spirits and vinegar		4 220 500	4 732 122	7 913 539	6 729 381
23	Residues and waste of food industry; prepared fodder		1 282 063	1 319 137	1 670 344	1 975 728
24	Tobacco and products of tobacco substitute		192 524	63 296	202 316	381 918

11 Agriculture and rural development

The source: MONSTAT

- from Serbia, Kosovo*, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, and Albania;

Import from Serbia						
CN	Chapter title	2004	2005	2006	2007* Kosovo not included	2008* Kosovo not included
01	Live animals		1 652 987	2 041 906	2 988 584	9 840 721
02	Meat and other edible slaughter products for food		961 240	1 830 439	4 790 610	5 501 222
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		31 175	689	19 289	65 929
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		16 042 508	14 798 691	27 853 224	30 328 846
05	Animal origin products, not indicated or included elsewhere		29 539	16 332	12 534	14 050
06	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		192 719	894 016	466 745	944 080
07	Edible vegetables , roots and tubers		839 584	1 461 631	6 066 615	14 373 866
08	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		1 384 423	1 155 468	1 116 434	6 292 413
09	Coffee, tea, Mate and spices		322 091	289 928	275 625	263 382
10	Cereals		25 374 206	23 791 733	21 288 822	20 408 957
11	Mill industry products; malt, starch; inulin; wheat gluten		54 563 845	61 497 631	67 262 597	63 760 398
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		635 884	774 659	866 626	307 700
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		10 928 011	9 710 683	10 112 453	9 487 345
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		1 259 848	795 067	3 294 188	4 924 173
17	Sugar and sugar confectionery		807 713	227 873	717 948	609 887
18	Cocoa and cocoa preparations		2 231 422	1 434 324	2 385 173	3 823 741
19	Products based on cereals, flour, starch or milk; pastry		3 852 554	2 690 002	5 754 184	7 439 745
20	Products of vegetables , fruit, including nuts, and other parts of plants		3 474 904	3 846 647	17 189 759	22 120 903
21	Miscellaneous edible products		2 309 778	2 341 750	5 380 520	5 790 855
22	Beverages, spirits and vinegar		59 757 534	66 929 928	99 567 297	117 731 552
23	Residues and waste of food industry, prepared animal fodder		25 466 509	36 535 194	51 849 873	46 032 290
24	Tobacco and products of tobacco substitute		652 270	319 227	746 473	821 710

Source: Monstat

* Security Council Resolution 1244

Import from Kosovo in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals				0	0
02	Meat and other edible slaughter products for food				0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates				0	0
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not				0	0

11 Agriculture and rural development

	indicated or included elsewhere					
05	Animal origin products, not indicated or included elsewhere				0	0
06	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves				0	0
07	Edible vegetables , roots and tubers				3 563 692	5 887 535
08	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon				228 610	653 783
09	Coffee, tea, Mate and spices				0	5 370
10	Cereals				25 160	0
11	Mill industry products; malt, starch; inulin; wheat gluten				450	340 400
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)				0	100
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin				25 172	49 835
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates				0	0
17	Sugar and sugar confectionery				0	0
18	Cocoa and cocoa preparations				0	1 038
19	Products based on cereals, flour, starch or milk; pastry				9 176	1 534
20	Products of vegetables , fruit, including nuts, and other parts of plants				7 500	57 287
21	Miscellaneous edible products				5 200	12 072
22	Beverages, spirits and vinegar				143 174	543 093
23	Residues and waste of food industry, prepared animal fodder				0	0
24	Tobacco and products of tobacco substitute				0	0

Source: MONSTAT

Import from BiH in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	10 920	94 397	168 130
02	Meat and other edible slaughter products for food		2 524	20 006	197 871	251 638
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		9 000	11 800	611 566	614 947
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		55 971	413 635	462 999	1 483 590
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		800	882	26 958	108 961
07	Edible vegetables , roots and tubers		160 828	356 907	228 666	839 406
08	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		26 346	3 290	11 294	415 636
09	Coffee, tea, Mate and spices		126	8 465	76 320	74 879
10	Cereals		0	11 000	47 846	88 124
11	Mill industry products; malt, starch; inulin; wheat gluten		1 203 653	786 510	1 821 773	3 195 057
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	166 595	86 298	107 112
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	24 356	184 359	248 518
16	Preparations of meat, fish, crustaceans, molluscs or other		120 886	142 726	374 770	507 440

11 Agriculture and rural development

	aquatic invertebrates					
17	Sugar and sugar confectionery		0	400	81 420	85 159
18	Cocoa and cocoa preparations		32 693	48 798	194 940	192 569
19	Products based on cereals, flour, starch or milk; pastry		166 214	202 299	363 544	426 244
20	Products of vegetables , fruit, including nuts, and other parts of plants		313 093	472 421	1 134 267	995 453
21	Miscellaneous edible products		157 402	303 811	559 585	474 648
22	Beverages, spirits and vinegar		530 160	262 350	314 915	787 523
23	Residues and waste of food industry, prepared animal fodder		24 000	149 345	147 060	53 010
24	Tobacco and products of tobacco substitute		112 403	174 734	285 120	306 152

Source: MONSTAT

Import from Croatia in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	2 820	1 118	235
02	Meat and other edible slaughter products for food		18 771	15 821	87 540	552 394
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		12 114	20 910	278 357	322 537
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		71 284	182 496	1 569 322	1 993 115
05	Animal origin products, not indicated or included elsewhere		0	0	180	4 022
06	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	2 850	163 295	748 009
07	Edible vegetables , roots and tubers		8 411	0	98 072	213 341
08	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		28 789	25 011	15 280	127 762
09	Coffee, tea, Mate and spices		702	1 343	142 258	2 122 866
10	Cereals		0	0	1 964 226	652 125
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	8 016	8 104
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		7 927	4 549	22 210	31 941
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		250 612	509 731	844 710	689 275
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		2 013	112 731	391 641	621 608
17	Sugar and sugar confectionery		11 847	12 781	167 012	308 567
18	Cocoa and cocoa preparations		29 180	50 825	640 491	697 161
19	Products based on cereals, flour, starch or milk; pastry		191 870	165 473	1 061 899	1 164 583
20	Products of vegetables , fruit, including nuts, and other parts of plants		59 800	87 342	405 911	486 111
21	Miscellaneous edible products		837 355	1 105 451	1 768 818	1 895 452
22	Beverages, spirits and vinegar		130 889	886 665	4 168 081	2 765 518
23	Residues and waste of food industry, prepared animal fodder		0	0	4 704	5 600
24	Tobacco and products of tobacco substitute		47 463	60 979	106 984	153 330

Source: MONSTAT

Import from Macedonia in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	0	0	0
02	Meat and other edible slaughter products for food		0	0	3 371	13 589
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0

11 Agriculture and rural development

04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere	0	20 240	27 987	155 830
05	Animal origin products, not indicated or included elsewhere	0	0	0	0
06	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves	1 724	0	0	0
07	Edible vegetables , roots and tubers	1 544 586	2 254 096	3 706 470	4 876 528
08	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon	3 106 841	5 601 492	8 217 118	8 936 034
09	Coffee, tea, Mate and spices	77	5 671	31 973	9 834
10	Cereals	10 273	65 500	17 880	56 476
11	Mill industry products; malt, starch; inulin; wheat gluten	21 297	26 244	24 584	11 237
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)	4 240	0	4 252	2 848
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin	46 010	257	5 132	20 364
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates	0	0	5 649	113 190
17	Sugar and sugar confectionery	6 154	35 645	99 292	114 387
18	Cocoa and cocoa preparations	97 299	81 360	159 084	203 259
19	Products based on cereals, flour, starch or milk; pastry	98 272	114 647	222 507	267 311
20	Products of vegetables , fruit, including nuts, and other parts of plants	490 107	584 829	1 520 064	2 100 358
21	Miscellaneous edible products	546 174	443 311	867 308	857 097
22	Beverages, spirits and vinegar	2 022 238	4 770 097	2 284 797	1 325 653
23	Residues and waste of food industry, prepared animal fodder	0	0	0	0
24	Tobacco and products of tobacco substitute	151 039	102 162	103 863	80 757

Source: MONSTAT

Import from Albania in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	0	0	0
02	Meat and other edible slaughter products for food		0	0	0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		13 772	5 104	7 468	6 032
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	0
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	0	0	43 680
07	Edible vegetables , roots and tubers		0	388 100	65 597	633 864
08	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		0	216 770	194 314	434 614
09	Coffee, tea, Mate and spices		29 200	120	32 790	33 005
10	Cereals		0	0	24 180	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	0

11 Agriculture and rural development

16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		0	0	18 675	21 030
18	Cocoa and cocoa preparations		0	0	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	0
20	Products of vegetables, fruit, including nuts, and other parts of plants		0	0	0	0
21	Miscellaneous edible products		0	0	0	0
22	Beverages, spirits and vinegar		0	0	3 860	2 702
23	Residues and waste of food industry, prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	0	0	0

Source: Monstat

- from the rest of the world, specifying the three most important partners.

Import from Turkey in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughterproducts		0	0	0	0
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	0
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	700	0	0
7	Edible vegetables, roots and tubers		86 584	137 171	358 184	1 154 073
8	Edible fruit, including nuts edible fruit, peel of citrus edible fruits or of melon and watermelon		989 089	1 181 808	2 030 219	1 255 051
9	Coffee, tea, Mate and spices		20	0	0	0
10	Cereals		0	0	0	370
11	Mill industry products; malt, starch; inulin; wheat gluten		5 000	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and edible fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	36	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	0
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		27 898	0	13 936	3 664
17	Sugar and sugar confectionery		49 437	62 631	257 948	246 003
18	Cocoa and cocoa preparations		35 533	49 072	118 762	73 760

11 Agriculture and rural development

19	Products based on cereals, flour, starch or milk; pastry		512 054	392 014	371 363	289 745
20	Products of vegetables, edible fruit, including nuts edible fruit, and other parts of plants		0	21 986	1 659	19 350
21	Miscellaneous edible products		12 009	0	3 406	2 478
22	Beverages, spirits and vinegar		0	0	800	864
23	Residues and waste of food industry, prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		10 937	14 993	0	0

The source: MONSTAT

Import from Brazil in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughterproducts		308 874	23 628	24 996	119 072
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included		0	0	0	0
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growingtrees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	0	0	0
7	Edible vegetables, roots and tubers		0	0	0	0
8	Edible fruit , including nuts edible fruit, peel of citrus edible fruits or of melon and watermelon		0	20 469	0	8 621
9	Coffee, tea, Mate and spices		6 719 983	8 015 710	47 233	51 283
10	Cereals		0	0	0	2 000 000
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and edible fruits; miscellaneous grains, seeds and edible fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	0
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		14 583 245	5 441 895	21 547 394	22 552 200
18	Cocoa and cocoa preparations		0	0	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	0

11 Agriculture and rural development

20	Products of vegetables, edible fruit, including nuts edible fruit, and other parts of plants		0	0	0	2 000
21	Miscellaneous edible products		9 800	42 407	0	0
22	Beverages, spirits and vinegar		0	0	0	0
23	Residues and waste of food industry, prepared animal fodder		49 000	313 500	0	0
24	Tobacco and products of tobacco substitute		0	0	0	0
<i>The source: MONSTAT</i>						

Import from Ecuador in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughterproducts		0	0	0	0
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	0
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growingtrees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	0	0	0
7	Edible vegetables, roots and tubers		0	0	0	0
8	Edible fruit , including nuts edible fruit, peel of citrus edible fruits or of melon and watermelon		4 948 116	7 418 422	30 348	3 869 803
9	Coffee, tea, Mate and spices		354	0	0	0
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and edible fruits; miscellaneous grains, seeds and edible fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	0
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		0	0	0	0
18	Cocoa and cocoa preparations		0	0	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	0
20	Products of vegetables, edible fruit, including nuts edible fruit, and other parts of plants		0	0	0	0
21	Miscellaneous edible products		0	0	0	0
22	Beverages, spirits and vinegar		0	0	0	0

11 Agriculture and rural development

23	Residues and waste of food industry, prepared animal fodder	0	0	0	0
24	Tobacco and products of tobacco substitute	0	0	0	0

The source: MONSTAT

Import form the rest of the world in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughterproducts		308 874	23 628	24 996	119 072
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		446 674	749 155	334 547	209 797
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	0
5	Animal origin products, not indicated or included elsewhere		22	38	36 504	44 605
6	Live growingtrees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	2 223	34	49
7	Edible vegetables, roots and tubers		1 314 603	1 535 107	1 624 963	2 416 076
8	Edible fruit , including nuts edible fruit, peel of citrus edible fruits or of melon and watermelon		7 325 890	10 929 943	2 946 553	6 056 468
9	Coffee, tea, Mate and spices		7 975 324	9 532 889	945 079	250 803
10	Cereals		12 197 961	10 707 007	3 666 540	9 191 822
11	Mill industry products; malt, starch; inulin; wheat gluten		14 554	34 441	24 645	0
12	Oil seed and edible fruits; miscellaneous grains, seeds and edible fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		270 361	288 525	242 666	188 210
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		24 834	16 348	207	70 057
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		497 182	371 722	416 197	280 012
17	Sugar and sugar confectionery		14 786 078	5 610 541	29 779 758	22 961 992
18	Cocoa and cocoa preparations		54 995	62 490	133 653	86 039
19	Products based on cereals, flour, starch or milk; pastry		554 105	410 603	371 363	289 745
20	Products of vegetables, edible fruit, including nuts edible fruit, and other parts of plants		161 515	216 819	241 870	216 974
21	Miscellaneous edible products		91 124	71 685	9 746	10 756
22	Beverages, spirits and vinegar		23 292	27 616	272 244	8 486
23	Residues and waste of food industry, prepared animal fodder		166 280	339 500	0	0
24	Tobacco and products of tobacco substitute		276 016	15 310	31 813	71 280

The source: MONSTAT

Exports:**- to the EU;**

Export to the European Union in kilograms						
CN	Chapter title	2004	2005*special relax system	2006*special relax system	2007 special system	2008 special system
01	Live animals		0	0	1 150	0
02	Meat and other edible slaughter products		9 324	0	0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		50 279	10 277	1 000	4 445
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	13
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live growing trees and other plants, bulbs; roots and the like; cut flowers and decorative leaves		0	0	0	0
07	Edible vegetables, roots and tubers		113 689	108 433	624 243	378 455
08	Edible fruit, including nuts, peels of citrus fruits or of melon and watermelon		396 410	530 586	342 918	542 007
09	Coffee, tea, Mate and spices		29 573	19 488	32 195	17 037
10	Cereals		0	0	0	11
11	Mill industry products; malt; starch; inulin; wheat gluten		317	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		12 670	0	2 330	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	14
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	77	0	15
17	Sugar and sugar confenctionery		23 000	241	3 496	1 258
18	Cocoa and cocoa preparations		0	447	23 038	3 864
19	Products based on cereals, flour, starch or milk; pastry		1 690	11	14 922	35 033
20	Products of vegetables, fruit, including nuts, and other parts of plants		4 981	79	36 771	132 253
21	Miscellaneous edible products		7 720	979	317	7 572
22	Beverages, spirits and vinegar		845 731	321 732	312 532	468 583
23	Residues and waste of food industry; prepared animal fodder		0	0	0	0

11 Agriculture and rural development

24	Tobacco and products of tobacco substitute	16 080	14 695	49 118	64 084
----	--	--------	--------	--------	--------

The source: MONSTAT

- to Serbia, Kosovo*, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, and Albania;

Export to Serbia in kilograms						
CN	Chapter title	2004	2005	2006	2007*Kosovo excluded	2008*Kosovo excluded
1	Live animals		127 574	6 250	36 206	11 805
2	Meat and other edible slaughter products for food		417 678	229 882	558 066	827 968
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		333 956	221 234	35 412	25 748
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		154 635	266 919	44 786	6 746
5	Animal origin products, not indicated or included elsewhere		3 760	6 830	1 270	173
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		4 510	22 723	4 660	0
7	Edible vegetables , roots and tubers		628 925	394 551	1 102 901	439 264
8	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		47 640 302	31 233 913	1 591 649	2 157 596
9	Coffee, tea, Mate and spices		106 282	147 811	39 868	77 645
10	Cereals		1 113 200	0	54 660	0
11	Mill industry products; malt, starch; inulin; wheat gluten		56 523	33 180	2 240	2 295
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		39 312	37 162	41 284	46 781
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		212 526	174 390	6 323	4 405
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		110 325	229 918	227 270	31 874
17	Sugar and sugar confectionery		3 672 614	3 001 094	977 731	371 276
18	Cocoa and cocoa preparations		21 778	31 880	2 365	468
19	Products based on cereals, flour, starch or milk; pastry		640 176	648 538	402 127	243 355
20	Products of vegetables , fruit, including nuts, and other parts of plants		95 008	176 824	106 389	54 701
21	Miscellaneous edible products		1 442 228	124 751	972 256	585 283
22	Beverages, spirits and vinegar		22 537 339	18 320 980	20 371 159	14 331 323
23	Residues and waste of food industry, prepared animal fodder		4 585	15 000	2 450	8 000

11 Agriculture and rural development

24	Tobacco and products of tobacco substitute	1 649 305	457 388	639 606	19 646
<i>The source: MONSTAT</i>					

* UN Security Council Resolution 1244

Export to Kosovo in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals				0	0
2	Meat and other edible slaughter products for food				0	0
3	Fish, crustaceans, molluscs, and other aquatic invertebrates				0	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere				0	0
5	Animal origin products, not indicated or included elsewhere				0	0
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves				0	0
7	Edible vegetables , roots and tubers				1 163	68 536
8	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon				15 607	79 361
9	Coffee, tea, Mate and spices				0	100
10	Cereals				0	10 296
11	Mill industry products; malt, starch; inulin; wheat gluten				9 900	299 200
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)				0	750
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin				0	0
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates				0	0
17	Sugar and sugar confectionery				447	67 007
18	Cocoa and cocoa preparations				0	8 352
19	Products based on cereals, flour, starch or milk; pastry				0	100 139
20	Products of vegetables , fruit, including nuts, and other parts of plants				48 659	96 496
21	Miscellaneous edible products				0	118 108
22	Beverages, spirits and vinegar				873 601	3 474 372
23	Residues and waste of food industry, prepared animal fodder				0	0
24	Tobacco and products of tobacco substitute				1 000	0
<i>The source: MONSTAT</i>						

11 Agriculture and rural development

Export to BH in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughter products for food		17 002	30 806	4 463	3 911
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	2 970	10 017
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	865	0	0
7	Edible vegetables , roots and tubers		226 550	988 137	844 092	357 237
8	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		2 728 437	5 039 553	1 617 654	1 188 815
9	Coffee, tea, Mate and spices		0	8 117	1 611	12 692
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		2 340	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		52 590	8 250	1 898	411
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		9 697	19 353	280 465	603 711
17	Sugar and sugar confectionery		351	34 281	225 136	212 106
18	Cocoa and cocoa preparations		4 889	10 125	3 202	14 249
19	Products based on cereals, flour, starch or milk; pastry		265 774	408 798	531 513	594 034
20	Products of vegetables , fruit, including nuts, and other parts of plants		25	1 147	26 218	27 065
21	Miscellaneous edible products		208 400	6 618	9 720	6 946
22	Beverages, spirits and vinegar		4 254 712	4 086 187	4 917 534	4 239 667
23	Residues and waste of food industry, prepared animal fodder		9 000	0	0	7 000
24	Tobacco and products of tobacco substitute		0	135 384	744 170	121 038
<i>The source: MONSTAT</i>						

11 Agriculture and rural development

Export to Croatia in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughter products for food		0	0	0	0
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	21	0
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		3 850	0	0	0
7	Edible vegetables , roots and tubers		0	0	0	0
8	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		365 108	604 124	89 379	80 773
9	Coffee, tea, Mate and spices		0	243	25	0
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	16 620
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	1 332	0	0
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	15	0
17	Sugar and sugar confectionery		0	1 581	3 954	262
18	Cocoa and cocoa preparations		0	6 288	11 104	378
19	Products based on cereals, flour, starch or milk; pastry		12 796	9 492	3 212	1 152
20	Products of vegetables , fruit, including nuts, and other parts of plants		0	25 837	794	0
21	Miscellaneous edible products		216	149	10 530	304
22	Beverages, spirits and vinegar		410 441	501 087	660 191	225 024
23	Residues and waste of food industry, prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	21 305	66 312	57 167

The source: MONSTAT

11 Agriculture and rural development

Export to Macedonia in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	0	0
2	Meat and other edible slaughter products for food		0	261	2 925	6 958
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	80	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	80 670	20 880
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	0	0	0
7	Edible vegetables , roots and tubers		0	0	35 657	0
8	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		2 906 628	2 102 230	10 740	4 172
9	Coffee, tea, Mate and spices		0	411	13 096	8 224
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	11 777
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		5 557	0	1 532	712
17	Sugar and sugar confectionery		550	290	0	842
18	Cocoa and cocoa preparations		0	14 260	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	7 935	0	0
20	Products of vegetables , fruit, including nuts, and other parts of plants		1 853	11 143	34 081	5 834
21	Miscellaneous edible products		30 335	0	0	0
22	Beverages, spirits and vinegar		59 762	0	2 475	900
23	Residues and waste of food industry, prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	0	0	80 920

The source: MONSTAT

11 Agriculture and rural development

Export to Albania in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
1	Live animals		0	0	174	0
2	Meat and other edible slaughter products for food		0	0	0	0
3	Fish, crustaceans, molluscs, and other aquatic invertebrates		17 766	5 016	1 960	0
4	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		1 100	8 275	1 052	0
5	Animal origin products, not indicated or included elsewhere		0	0	0	0
6	Live growing trees and other plants, bulbs, roots and the like, cut flowers and decorative leaves		0	0	0	0
7	Edible vegetables , roots and tubers		428	13 750	0	6 000
8	Edible fruit, including nuts, peel of citrus fruits or of melon and watermelon		4 055 541	6 539 204	14 700	8 230
9	Coffee, tea, Mate and spices		0	0	0	500
10	Cereals		0	0	0	705 280
11	Mill industry products; malt, starch; inulin; wheat gluten		385 840	445 000	0	1 150 000
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		72 526	129 767	120 091	50 061
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	32 580
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		27	0	0	4 658
17	Sugar and sugar confectionery		1 004 142	232	1 058	25 024
18	Cocoa and cocoa preparations		0	890	2 982	516
19	Products based on cereals, flour, starch or milk; pastry		90	694	0	3 150
20	Products of vegetables , fruit, including nuts, and other parts of plants		0	0	6 000	3 795
21	Miscellaneous edible products		5 000	3	0	0
22	Beverages, spirits and vinegar		469 669	414 760	809 348	591 615
23	Residues and waste of food industry, prepared animal fodder		936 010	119 850	25 020	400 200
24	Tobacco and products of tobacco substitute		0	75 047	254 984	11 045

The source: MONSTAT

- to the rest of the world, specifying the three most important partners.

Export to the rest of the world in kilograms						
CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	0	0	0
02	Meat and other edible slaughter products		0	0	0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	68
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live growing trees and other plants; bulbs, roots and the like; cut flowers and decorative leaves		0	18 500	35 428	0
07	Edible vegetables, roots and tubers		234	1 450	20 800	2 263
08	Edible fruit , including nuts; peel of citrus fruits or of melon and watermelon		111 833	20 861	0	15 589
09	Coffee, tea, Mate and spices		7 980	20 001	3 008	43 386
10	Cereals		0	0	0	0
11	Mill industry products; malt; starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		75 928	15 420	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		235	1 299	0	0
16	Preparations of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		0	0	0	0
18	Cocoa and cocoa preparations		615	0	128	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	6 355
20	Products of vegetables, fruit, including nuts, and other parts of plants		0	3 867	9 000	10
21	Miscellaneous edible products		0	0	0	30 034
22	Beverages, spirits and vinegar		195 115	213 708	307 868	507 687
23	Residues and waste of food industry; prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	3	31 820	1 586

The source: MONSTAT

Export to USA in kilograms

11 Agriculture and rural development

CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	0	0	0
02	Meat and other edible slaughter products		0	0	0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	0
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live trees and other plants; bulbs, roots and the like; cut flowers and decorative leaves		0	0	0	0
07	Edible vegetables, roots and tubers		0	0	0	0
08	Edible fruit , including nuts, peel of citrus fruits or of melon and watermelon		0	0	0	0
09	Coffee, tea, Mate and spices		6 800	0	3 008	3 360
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		235	1 299	0	0
16	Products of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		0	0	0	0
18	Cocoa and cocoa preparations		615	0	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	6 355
20	Products of vegetables, fruit, including nuts, and other parts of plants		0	0	0	0
21	Miscellaneous edible products		0	0	0	0
22	Beverages, spiritss and vinegar		109 602	78 515	94 860	76 745
23	Residues and waste of food industry; prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	0	0	0

The source: MONSTAT

Export to Russia in kilograms

CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	0	0	0
02	Meat and other edible slaughter products		0	0	0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
04	Milk and dairy products, poultry and bird eggs,		0	0	0	0

11 Agriculture and rural development

	natural honey, edible products of animal origin, not indicated or included elsewhere					
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live trees and other plants; bulbs, roots and the like; cut flowers and decorative leaves		0	18 500	35 428	0
07	Edible vegetables, roots and tubers		0	0	20 800	1 564
08	Edible fruit for food, including nuts; peel of citrus fruits or of melon and watermelon		0	0	0	15 589
09	Coffee, tea, Mate and spices		0	0	0	0
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; various grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products; processed edible fat; waxes of animal and plant origin		0	0	0	0
16	Products of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		0	0	0	0
18	Cocoa and cocoa preparations		0	0	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	0
20	Products of vegetables, fruit, including nuts, and other parts of plants		0	0	0	0
21	Miscellaneous edible products		0	0	0	0
22	Beverages, spirits and vinegar		20 526	30 991	87 768	343 811
23	Residues and waste of food industry, prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	0	0	0

The source: MONSTAT

Export to Canada in kilograms

CN	Chapter title	2004	2005	2006	2007	2008
01	Live animals		0	0	0	0
02	Meat and other edible slaughter products		0	0	0	0
03	Fish, crustaceans, molluscs, and other aquatic invertebrates		0	0	0	0
04	Milk and dairy products, poultry and bird eggs, natural honey, edible products of animal origin, not indicated or included elsewhere		0	0	0	0
05	Animal origin products, not indicated or included elsewhere		0	0	0	0
06	Live trees and other plants; bulbs; roots and the like; cut flowers and decorative leaves		0	0	0	0
07	Edible vegetables, roots and tubers		0	0	0	0

11 Agriculture and rural development

08	Edible fruit for food, including nuts, peel of citrus fruits or of melon and watermelon		0	0	0	0
09	Coffee, tea, Mate and spices		0	0	0	0
10	Cereals		0	0	0	0
11	Mill industry products; malt, starch; inulin; wheat gluten		0	0	0	0
12	Oil seed and oleaginous fruits; various grains, seeds and fruit; industrial crops and medicinal herbs; straw and fodder (roughage)		0	0	0	0
15	Fat and oils of animal or plant origin and their cleavage products ; processed edible fat; waxes of animal and plant origin		0	0	0	0
16	Products of meat, fish, crustaceans, molluscs or other aquatic invertebrates		0	0	0	0
17	Sugar and sugar confectionery		0	0	0	0
18	Cocoa and cocoa preparations		0	0	0	0
19	Products based on cereals, flour, starch or milk; pastry		0	0	0	0
20	Products of vegetables, fruit, including nuts, and other parts of plants		0	3 867	0	0
21	Miscellaneous edible products		0	0	0	0
22	Beverages, spirits and vinegar		2 556	41 427	43 598	39 342
23	Residues and waste of food industry, prepared animal fodder		0	0	0	0
24	Tobacco and products of tobacco substitute		0	0	0	0

The source: MONSTAT

Quota utilisation in 2008

Country		EU		Albania		Croatia		Moldova	
Chapter	Tariff heading	Quota (tonnes)	Quota utilised (tonnes)	Quota (tonnes)	Quota utilised (tonnes)	Quota (tonnes)	Quota utilised (tonnes)	Quota (tonnes)	Quota utilised (tonnes)
01	0305 69 80 00	20	0.00						
	0102 90 except:					20.00	0.00		
	0102 90 41					120.00	0.00		
	0102 90 49								
	0105 11 19								
	0105 11 99								
	0105 12					50.00	0.00		
	0105 19								
	0105 94								
	0105 99								
02	0204			100.00	0.00	300.00	0.00		
	207					50.00	50.00		
	0209			600.00	0.00				
	0210								
	0210 11-					50.00	0.33		

11 Agriculture and rural development

	210 20								
03	0301 -0305	60	0.8						
04	0401					50.00	50.00		
	0402					50.00	50.00		
	0403			100.00	0.00				
	0405			50.00	0.00				
	0406			100.00	0.00	40.00	40.00		
	0407 00 30					25.00	0.00		
	0407 00 90								
	0408					25.00	0.00		
07	0701 90					600.00	0.00		
	0702 00					600.00	0.00		
	0703			100.00	0.79				
	0706			100.00	13.79				
	0707 00					300.00	0.00		
08	0806 10					300.00	0.00		
	0807 11					500.00	0.00		
	0809					300.00	0.00		
	0810 50					50.00	0.00		
16	1601			300.00	0.00	100.00	81.51		
	1602					50.00	50.00		
	1604 13 11	20	0.00						
	1604 13 19								
	1604 20 50								
	1604 16 00	10	1.51						
	1604 20 40								
20	2007			200.00	0.00				
	2009			100.00	0.00				
21	2105			100.00	0.00				
22	2201			1000.00	0.00				
	2202								
	2203			1000.00	0.00				
	2204					200.00	61.59	30.00	0.00
	2204 10	1500 hl	1.500 hl						
	2204 21								
	2205							20.00	0.00
	2206							20.00	0.00
	2207							20.00	0.00
	2208			200.00	2.36	10.00	10.00	20.00	0.00
24	2401					25.00	0.00	50.00	0.00
	2402					25.00	25.00	10.00	0.00
	2403					25.00	0.00	10.00	0.00

The source: the Customs Administration of Montenegro

B. Rural development statistics

23. Rural areas:

a) Please indicate whether a classification/definition of rural areas exists, and if so, please describe the basis for the classification, and the results across the country.

There is no specific definition of rural areas, but the Law on Agriculture and Rural Development defines (Article 15) the obligation on the part of the Ministry of Agriculture, Forestry and Water Management to determine the areas with limited possibilities for farmers.

b) Please give the following information for each region of the country:

- per capita GDP;

The calculation of GDP is not done per regions but for the whole economy of Montenegro. According to the proposal of NUTS classification, Montenegro represents one region in all three NUTS levels.

Gross Domestic Product per capita for Montenegro

	2000	2001	2002	2003	2004	2005	2006	2007
GDP per capita	1 750	2 113	2 208	2 435	2 684	2 912	3 443	4 484

The source: MONSTAT

- % of total workforce employed in agriculture (preferably based on the Labour Force Survey);

The workforce employed in agriculture per gender, Labour Force Survey

2005						
	in 000			%		
	Total	Men	Women	Total	Men	Women
Total	178.8	105.6	73.2	100.0	100.0	100.0
Agricultural activities*	15.4	9.0	6.4	8.6	8.5	8.8
2006						
	in 000			%		
	Total	Men	Women	Total	Men	Women
Total	178.4	100.3	78.1	100.0	100.0	100.0
Agricultural activities*	12.1	7.1	5.0	6.8	7.0	6.4
2007						
	in 000			%		
	Total	Men	Women	Total	Men	Women
Total	212.7	121.7	91.0	100.0	100.0	100.0
Agricultural activities*	{18.4}	{11.0}	{(7.4)}	{8.6}	{9.0}	{(8.1)}
2008						
	in 000			%		
	Total	Men	Women	Total	Men	Women
Total	221.9	126.7	95.1	100.0	100.0	100.0
Agricultural activities*	16.8	9.9	(6.8)	7.6	7.8	(7.2)

The source: Monstat

* Agriculture includes forestry and fishery

- value-added per agricultural labour unit;

The information is not available

- population density per km² and trend in recent years (i.e. is the rural population falling?);

Area, the assessed population and density according to the type of settlement

	Area km	The assessed population			Population density/km ²
		Total	Rural	Urban	
1 st January	Total	Total	Rural	Urban	Total
2003	13 812	619 300	235 111	384 189	44.84

11 Agriculture and rural development

2004	13 812	621 258	235 037	386 221	44.98
2005	13 812	622 978	234 194	388 784	45.10
2006	13 812	623 576	233 005	390 571	45.15
2007	13 812	624 896	231 712	393 184	45.24
2008	13 812	627 478	231 187	396 291	45.43
2009	13 812	630 095	230 905	399 190	45.62

The source: Monstat

- unemployment figures.

The unemployed people per gender, Labour Force Survey

Montenegro	2004	2005	2006	2007	2008
The unemployed - total	71 759	77 754	74 820	51 100	44 800
– Men	34 886	37 424	41 238	27 000	24 000
– Women	36 873	40 330	33 582	24 000	20 800

The source: Monstat

c) Please indicate the percentage of the total population which lives in rural areas, and the percentages of the total and rural population having:

Total population of Montenegro according to the settlement type, as well as the percentage in the total population, Census 2003

	Population	%
Total Montenegro	620 145	100
Urban	383 808	61.9
Rural	236 337	38.1

The source: Monstat

- piped water (water consumption in agriculture compared to the total consumption);

Population and the percentage of the total and rural population having piped water, Census 2003

	Population having	%_ of population having	Rural population having	%_ of rural population having
Piped water	554 588	89.43	177 310	75.02

The source: Monstat

- surface of the environmentally protected areas;

The information is not available.

- mains electricity;

Population and percentage of the total and rural population with the mains electricity, Census 2003

11 Agriculture and rural development

	Population with	%_ of population with	Rural population with	%_ of rural population with
Mains electricity	618 304	99.70	234 882	99.38

The source: Monstat

- a connection to a sewage system;

Population and percentage of the total and rural population having a connection to a sewage system, Census 2003

	Population having	%_ of population having	Rural population having	%_ of rural population
Sewage system – public sewage system	248 559	40.08	13 872	5.87
Sewage system- Septic tank	283 386	45.70	145 873	61.72

The source: Monstat

- a fixed telephone network, or coverage by a mobile telephone network;

The information is not available.

- elementary school education;

Population and percentage of the total and rural population having elementary education, Census 2003

	Population having	%_ population having	Rural population having	%_ of rural population having
Elementary education	112 902	18.21	52 585	22.25

The source: Monstat

- secondary school education;

Population and percentage of the total and rural population having secondary school education, Census 2003

	Population having	%_ of population having	Rural population having	%_ of rural population having
Secondary school education	246 434	39.74	77 692	32.87

The source: Monstat

- advanced level education.

Population and percentage of the total and rural population having advanced level education, Census 2003

	Population having	%_ of population	Rural population	%_ of rural population
--	-------------------	------------------	------------------	------------------------

11 Agriculture and rural development

		having	having	having
Higher education	25 678	4.14	6 662	2.82
High education	37 021	5.97	5 927	2.51

The source: Monstat

24. Please provide national statistics concerning measures to adapt agricultural structures:

a) Compensatory allowances:

- Hill and mountain areas: number of holdings, Utilised Agricultural Area (UAA) and the number of livestock units (LSUs) in the following three categories:

(1) altitudes > 800 m;

(2) slopes > 20 % (below 800 m);

(3) altitudes between 600 m and 800 m and slopes > 15%.

- Areas with significant handicaps:

(1) Areas where the yields of grass or cereal are < 80 % of the national average: number of holdings, total UAA and total LSUs;

(2) Areas where key economic indicators (e.g. value added, farmers' gross and net earnings, earned income, etc.) are below the national average: number of farmers, total UAA and total LSUs.

b) Investment: Number and proportion of holdings where the income earned per annual man-work unit is < 1.2 times the average of non-agricultural workers in the area and which provide at least 50% of the holder's total farm income.

c) Young farmers and early retirement: Age profile of farm holders by five-year bands, including the number under 40 years old.

d) Producer associations:

- % of production by value that is handled by producer associations for each of the main sectors of production. Give details for the fruit and vegetable sector.

- % of holdings that are members of producer associations in each sector. Give details for the fruit and vegetable sector.

e) Marketing and processing:

- for each of the main sectors give:

(1) % of output that is processed and existing processing capacity;

(2) forecast increase in the proportion processed and in capacity over the next ten years.

- for each of the main sectors specify: capacity in need of modernisation.

For the question 24 and all the sub-questions within there are no available information.

List of Annexes:

Annex 39 - Law on Agriculture and Rural
Development, 10

Annex 9 - LAW ON THE PROTECTOR OF
HUMAN RIGHTS AND FREEDOMS, 174