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# SERBIA

## AGRICULTURE FINANCE BULLETIN

Secretariat for Agriculture Announces  
RSD 511 Million in Incentive Funds

FAO Distributed Vouchers to Farms Affected  
by 2023 Floods

Serbia Increases Sheep and Goat Meat  
Production

316,000 Requests Submitted for  
Plant Production Incentives

# Agriculture Finance Bulletin

*Edition #103, April 2024*

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### **Note:**

*The Agriculture Bulletin presents a monthly roundup of headlines and news stories related to Serbia's agricultural sector.*

*This bulletin is prepared by Business & Finance Consulting—a Swiss-based development finance consulting company.*

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## State Initiatives

### 1) NALED, EIT to Boost Agricultural Innovation and Reduce Carbon Emissions

April 22nd, 2024, <https://www.danas.rs/vesti/ekonomija/naled>

The National Alliance for Local Economic Development (NALED) has announced its representation in the European Institute for Innovation and Technology (EIT)'s regional food hub network. Over the next two years, NALED will collaborate with the Faculty of Agriculture in Novi Sad, connecting researchers, entrepreneurs and academics to foster agricultural innovations and reduce carbon emissions. EIT's initiatives aim to bolster regions with underdeveloped food sector innovation through education, business development and best practice exchanges. NALED will also support female entrepreneurship and provide financial resources, mentoring and educational programs. Programs like EIT Jumpstarter, Sales Booster, Team Up and Test Farms will help startups develop and commercialize innovative agricultural products, offering expert guidance and opportunities to enter new markets.

### 2) Secretariat for Agriculture Announces RSD 511 Million in Incentive Funds

April 22nd, 2024, <https://www.novosti.rs/ekonomija/poljoprivreda/1359455/poljoprivreda-sekretarijat-nepovratna-sredstva>

The Secretariat for Agriculture has announced public calls for applications for RSD 511 million in incentive funds, the largest allocation to date. These funds support the procurement of agricultural machines, tractors and equipment for beekeeping, fruit and vegetable growing, farming and animal husbandry. The incentives are non-refundable and cover up to 80% of investment costs. Specific allocations include RSD 140 million for agricultural attachment machines (up to RSD 500,000 per user), RSD 171 million for tractors (up to RSD 1 million per user), RSD 100 million for livestock and equipment (up to RSD 750,000 per user) and RSD 60 million for fruit, vegetable and agricultural equipment. Beekeeping equipment funds total RSD 40 million (up to RSD 120,000 dinars per user). Applications are due by June 3, 2024.

### 3) Provincial Fund for Agricultural Development Announces Credit Support

April 4th, 2024, <https://www.blic.rs/biznis/privreda/preko>

The Provincial Fund for Agricultural Development has announced 12 competitions offering credit support to farmers at an interest rate of 1% annually. The loans, intended for investment financing, vary in conditions and amounts. Eligible applicants include registered agricultural holdings, residents and legal entities in Vojvodina. Loans cover various purposes: up to RSD 7,000,000 for physical asset investments in fruit, grape and vegetable processing; up to RSD 7,000,000 for agricultural land purchases (minimum of RSD 600,000 dinars); up to RSD 3,000,000 for seeds, fertilizers and protective means; and up to RSD 7,000,000 for quality calves, piglets and breeding livestock. Additional loans are available for new agricultural machinery, beekeeping equipment, sheltered gardens, anti-hail nets and irrigation systems. Applications are due by October 31, 2024.

## Foreign Aid

### 4) More Than 100 Products from Small Manufacturers Now on Wolt Market

April 29th, 2024, <https://bizlife.rs/vise-od-100-proizvoda-malih-proizvodjaca-na-wolt-u/>

Small producers from various Serbian regions are reaching new customers via the Wolt Market online store, offering about 100 items that have gained popularity in Belgrade, Novi Sad and Nis. Supported by the USAID-funded *Big Small Economy Project*, the bigMALI program connects local producers with consumers seeking homemade, fresh products. Wolt Market ensures high hygiene standards and quick delivery while promoting products through marketing activities. The program includes producers of food, cosmetics, textiles and other goods from cities like Novi Pazar, Prijepolje and Uzice. It also supports women's entrepreneurship, featuring brands like Zuti List by Sladana Tasic (which offers canned fruits and vegetables). Launched in 2022, Wolt Market has six locations in Serbia and aims to deliver groceries within 30 minutes, offering a wide product range.

### 5) FAO Distributed Vouchers to Farms Affected by 2023 Floods

April 26th, 2024, <https://www.tanjug.rs/ekonomija/srbija/85406>

The Food and Agriculture Organization of the United Nations (FAO) has completed the distribution of financial support under its *Technical Assistance Program for Emergency Response* following the 2023 floods. In partnership with the Serbian Ministry of Agriculture, FAO provided value vouchers worth RSD 66,000 each to the most vulnerable agricultural farms affected by the floods. These vouchers can be used for purchasing seeds, fertilizers, agricultural tools, equipment and repair materials. The support targeted farms in Trstenik, Varvarin, Cicevac, Kursumlija, Brus, Cuprije, Raznje, Aleksinac, Doljevac and Rekovac, helping 327 farms with over 1,300 members restore production. The 2023 floods impacted 56 municipalities in Central and Southern Serbia, causing significant damage to infrastructure and agricultural land.

### 6) Agricultural Fund Established for the Promotion of Agriculture

April 12th, 2024, <https://www.divac.com/Vesti/3586/Jos-jedan-Lokalni-fond-za-podsticaj-poljoprivrede.shtml>

The Municipality of Secanj, the Ana and Vlade Divac Foundation and the Regional Center for Social Economic Development-Banat have established the *Local Fund for the Development of Agricultural Production*. With additional support from the USAID-funded *Big Small Economy Project*, the Fund will provide interest-free loans to farmers for investment in production. In total, RSD 3 million is available to support small farms struggling to access commercial loans. Managed by RCR Banat, the Fund will allocate loans for the purchase of agricultural equipment and processing tools. Farmers in Secanj will repay the loans without interest. This initiative, part of a model launched by USAID in 2020, has already benefitted 264 farmers across 18 municipalities.

## Private Sector

### 7) Serbia Increases Sheep and Goat Meat Production

April 29th, 2024, <https://biznis.rs/vesti/srbija/srbija-jedina-zemlja-u-regionu-koja-je-povecala-proizvodnju-mesa-ovaca-i-koza/>

The population of small ruminants in the Western Balkans has decreased in recent years, with an especially significant drop between 2018 and 2022. Serbia, however, has been somewhat immune to this trend, increasing small ruminant meat production over the past 15 years. Bogdan Cekic from the Animal Husbandry Institute notes that, while goat population in Serbia has declined by 31.5% since 2018, sheep population has only decreased by about 5%. Serbia currently has 149,558 goats and 1,702,682 sheep, with the highest concentrations in Southern and Eastern Serbia for goats and in the Zlatibor region for sheep. 74 companies in Serbia are currently involved in sheep and goat breeding, with varying financial success.

### 8) Challenges in Managing Animal By-Products: More Facilities Needed

April 23rd, 2024, <https://podsticajiupoljoprivredi.rs/neadekvatno>

In Serbia, 80,000 to 250,000 tons of animal by-products are produced annually, including 17,000–25,000 tons of dead animals. At the same time, only 20% of these by-products are properly treated. To better help in the management of these by-products, the Young Farmers of Serbia Association organized the *Food Safety, Veterinary and Phytosanitary Policy* online event. Dejan Maksimovic from the Staniste Vrsac Ecological Center highlighted that the treatment of animal by-products should be seen as an opportunity rather than a cost. He further noted the health risks and environmental damage from improper disposal, stressing the need for more intermediate facilities for collection and storage. Currently, only two such facilities exist, with the *Program for Improving By-Product Management* (2020–2024) calling at least 10 additional facilities to be built to handle expected volumes.

### 9) International Agricultural Fair Underway in Novi Sad

April 23rd, 2024, <https://www.tanjug.rs/ekonomija/srbija/84919/>

The 91<sup>st</sup> *International Agricultural Fair* is being held in Novi Sad, featuring 1,200 exhibitors from Serbia and 40 other countries. This major agribusiness event showcases the latest technological advancements in agriculture, including exhibitions of agricultural machinery, livestock, organic products and professional and scientific breakthroughs. Key highlights include an exhibition of agricultural machinery such as the E30 electric tractor and the hydrogen-powered 55 hp tractor. The National Livestock Exhibition also features 800 head of cattle and public judging events. The fair is also playing host to various conferences and forums on sustainable agricultural production and renewable energy.

### 10) Serbian Wines Capable of Capturing Quality Niches

April 16th, 2024, <https://www.novosti.rs/ekonomija/preduzetnik/1357017/svetsku-vinsku-nisu-osvajaju-autohtone-sorta>

Wines from the Open Balkans region, including Serbian varieties like grasac, prokupac, smederevka and tamjanika, can capture niche markets with their unique qualities. Oenologists and wine experts emphasize the need for collaboration among winemakers, institutions and experts to enhance these authentic varieties for better yields and market readiness. To this end, the Serbian wine industry, boosted by both

local and international varieties, aims to present the region as a distinctive wine area, fostering new connections and market opportunities. At events like the Vinitaly Fair in Verona, Balkan wines garner significant attention, highlighting the potential for quality and authentic products over quantity.

## 11) NLB Komercijalna banka Holds 13<sup>th</sup> Organic Agriculture Competition

April 8th, 2024, <https://www.tanjug.rs/ekonomija/srbija/82799/nlb>

The 13<sup>th</sup> Organic Competition by NLB Komercijalna banka RSD 3 million to the best organic agriculture projects. This year, two main prizes of RSD 1 million each will be given for the best organic vegetable and livestock production or processing projects. Additionally, two special prizes of RSD 500,000 each will be awarded to a young farmer (under 40) and a female leader in organic production or food processing. The competition is open to certified (or in-process) organic producers, including those with group certificates or contracts with production organizers. This initiative supports sustainable business and development, reflecting the bank's long-term commitment to promoting sustainable practices and preserving natural resources for future generations.

## 12) First Digital Agricultural Insurance Policy in Serbia Presented

April 5th, 2024, <https://www.poslovnici.co.rs/regija/predstavljena-prva-digitalna-agro-polica-osiguranja-u-srbiji-4437250>

Producers in Serbia can now insure their fields, orchards and plantations through a digital agro policy available via an Android or iPhone app developed by Generali osiguranje Srbija and Institut BioSens. This innovative solution uses artificial intelligence to streamline the entire process, from document collection to policy signing, without needing contact with a seller. This service is available 24/7 and includes insurance options against hail, fire and lightning for 15 commonly-grown crops. Farmers can define their plantation size and location using cadastral data or GPS coordinates. The solution is part of ongoing efforts to meet farmers' needs and improve insurance processes, including facilitating the payment of premiums after harvest.

## 13) Ukrainian Imports Not Responsible for Lowered Domestic Prices

April 4th, 2024, <https://www.politika.rs/sr/clanak/607428/Srbija-stiti-trziste-ne-uvozimo-zitarice-iz-Ukrajine>

Recent media speculation suggests that Ukrainian grain imports have lowered prices for Serbian wheat and corn, causing significant losses for local farmers. At the same time, producer associations are quick to point out that imports are not to blame for the lower prices, noting that high import duties (30% for wheat and corn from Ukraine as well as 24% for corn and 18% for wheat from the EU) make such imports impractical. They warn consumers to be on guard against such misinformation.

## 14) 316,000 Requests Submitted for Plant Production Incentives

April 2nd, 2024, <https://www.tanjug.rs/ekonomija/srbija/82089/za-podsticaje>

A public call for basic crop production incentives in Serbia received 316,000 requests by April 1, 2024, with 270,000 already approved as of April 2, 2024 according to the Ministry of Agriculture. Farmers need to accept approval decisions via their e-Inboxes and waive the appeal option on the e-Podsticaji platform to expedite payments. Delays have occurred due to many farmers submitting requests close to the deadline.