



EU – Kosovo Stabilisation Association Process Dialogue (SAPD)

Sectorial Committee on Agriculture, Fisheries, Forestry and Food Safety

Brussels, 11 – 12 March 2013

Conclusions

Introduction

The third sectorial meeting of the 2013 cycle of the Stabilisation and Association Process Dialogue on Agriculture, Fisheries, Forestry and Food Safety took place in Brussels on 11-12 March 2013.

The meeting was co-chaired by the Secretary-General of the Ministry of European Integration, Mr Demush Shasha and the EC DG ELARG Kosovo Desk Officer Mr Nicholas Cendrowicz.

Kosovo authorities were represented by institutions of the Government of Kosovo and other responsible institutions and agencies (please see annex 1 for a detailed list of participants).

1. FEASIBILITY STUDY CONDITIONS

In view of fulfilling the mid-term priorities from the feasibility study and future negotiations on a Stabilisation and Association Agreement (SAA) with the EU, food safety and quality control is one of the most important issues for the Government of Kosovo. Kosovo will have to comply with many provisions on trade agreement which condition Kosovo's capacity to import and export agricultural and agro-food products with the EU.

With regard to fulfilling the mid-term priorities set within the Feasibility Study, Government of Kosovo has made progress establishing an electronic system for identification and registration of animals, which is now fully operational. Facilitating the food import procedures is one of the positive steps taken by the FVA; since 2012 no license application is needed for milk and dairy products.

During the 2012 Kosovo authorities undertook number of different activities that will help the improvement of policy implementation for food safety and improve the performance of the food business operators, such as training of inspectors on the use of check lists, completing the legal base by drafting eight SOPs and finished the guidance for business operators.

Challenges remain on improving the facilities for the transfer of the animal-based samples from BIPs for further analyses. In order to improve the transport of samples from the border to the laboratories, the EC recommends increasing the number of separate transport vehicles for animal origin and plant origin samples. The meeting considered the need to upgrade Kosovo's food business operators to guarantee that the food eaten by Kosovo citizens conforms to the same EU standards as the rest of Europe. Whilst Kosovo's laboratories can carry out the tests to detect positive or suspect samples, these results need to be confirmed by a laboratory outside

Kosovo. Once Kosovo's laboratory is accredited this will help Kosovo deal with crises such as the recent aflatoxin crisis.

Furthermore, finalising the transfer of the food safety and veterinary inspectors from municipalities to the FVA is one of the most important challenges to be addressed. The transfer of municipal inspectors to regional offices of FVA was agreed to be finalized by the end of June 2013, bearing in mind the impact that it will have on increasing the efficiency of the food and quality control. Kosovo authorities have to increase the recording of movements, systematize the recording on the animal markets in order to improve the reliability of the input of data into the animal identification, registration and movement database. In particular, the level of reporting of animals exiting the database (particularly through slaughter) needs to be improved.

Follow up:

- a) Finalize the report on the categorization of the BIP (June 2013);
- b) Conduct training on using of TRACES (June 2013);
- c) Provide more detailed information on questions of sampling, riskassessment of the proportions of consignments tested (September 2013);
- d) Provide the timetable for the operationalizing the capacity to transfer samples (December 2013);
- e) Provide detail information of controls and inspections for sanitary and phyto-sanitary (December 2013);
- f) The transfer of the municipal inspectors in the FVA to be finalized (June 2013);
- g) Report for the new structures and staffing of the regional FVA offices and inspectors to be provided (June 2013);
- h) Numbers and structure of the inspectors to be provided (June 2013);
- i) The accreditation of the KVFA laboratories to be finalized (December 2013);
- j) Additional information on the animal recordings to be provided, including on other animals than cattle (December 2013);
- k) Improve linkage between beneficiaries receiving grants and subsidies and fulfilling commitments to the animal movement & registration database;
- l) Information on the food-borne diseases to be provided.

2. MTEF/ BUDGET/IPA

The importance and the specifics of the agro- rural sector has reflected in increase of support for this sector. The Government of the Republic of Kosovo for 2013 has allocated to the MAFRD budget in the amount of 23,859,230 €, or about 10.26% higher than 2012. The Budget for 2013 for MAFRD is 1.5% from the total of the National Budget.

The European Commission emphasized the positive developments with regard to the budget allocation for the agriculture sector in Kosovo. Kosovo authorities have made considerable progress in fulfilling the EC recommendations. Considering the importance of the sector to the overall economical development of Kosovo as well as the readiness of the sectors to absorb and successfully implement EU and other donor support, EC will recommend that agriculture and rural development with special focus on food safety and quality be identified as one of the three priority sectors for Kosovo within IPA 2.

Follow up:

- a) Separate budget plan/ report for the FVA to be provided (December 2013);
- b) List of 2013 TAIEX proposals for Food Safety and Agriculture to be provided in order to draw up a TAIEX pipeline of events (June 2013);
- c) The Kosovo's input for the Country Strategy Paper (IPA 2) to be provided (June 2013).

3. AGRICULTURE

In the framework of development and implementation of policy and legislation on agriculture, forestry, livestock, plant production and rural development in compliance with the EU *Acquis*, Kosovo has adopted 9 laws and 13 administrative instructions since the 2012 SAPD meeting. Meanwhile, additional legislation is in the preparation phase and expected to be adopted soon. Key steps forward will focus on secondary legislation, functionalisation of inter-institutional structures, coordination and strengthening of administrative capacities.

The European Commission has appreciated the dynamic of legislation drafting process. However the EC has pointed out the necessity to involve the civil society and farmer associations in the process of drafting laws, as it is provided by the Government Regulation on Drafting of Laws.

Pursuant to the methodology of the new regulation of the European Commission of 2012 related to FADN, a new questionnaire is drafted. The questionnaire and new software have been tested. Additionally, the data acquired from FADN questionnaire are used for the detailed economic analyses (production costs/investment costs for the sectors which are already supported by the ministry).

The Agricultural Development Agency has made a valuable progress by merging of two registers EFR (Electronic Farm Registration) with SLPIS (Simplified Land Parcel Identification System). 20, 979 farm associations are registered in the farm electronic register. The geodesy measurements of the uncompleted consolidation in the Municipality of Gjakova has been finalized (ITF-files and excel sheets have been created). MAFRD has developed Land Consolidation Strategy and Action Plan. However, the EC has expressed its concern as regarding the reallocation of agricultural land to construction. Furthermore, the EC encouraged Kosovo institutions to develop land consolidation plans for other municipalities as well. The destruction of land is also a concern raised by the civil society. Regarding organic agriculture, the EC underlines the immediate necessity to establish inspection and control bodies.

MAFRD has carried out the classification of wine for 2012: 13 wines are announced as high quality, 31 wines are announced as quality wine and 10 wines are announced as table wines. Moreover 'Rahovec' has been registered as a new brand and shall be used as geographic identification of origin. The European Commission underlines that accreditation of wine laboratory is of high interest.

The Law on agricultural Census is adopted and the Pilot Registration is organised. In compliance with the random selection method, there are 68 places elected, out of which 52

places are of Albanian population, 5 places of Serbian population and 11 places of mixed population. Additionally, the preparations for Agricultural Census, to be finalized on November 2013, are being carried out.

Besides the improvements on the level of institutional cooperation on unifying and harmonizing the agricultural statistical data, even though now the presentation of the agriculture statistical data has improved, the European Commission urges Kosovo institutions to further cooperate on this regards, because such data are very important before the SAA negotiation process.

Regarding soil pollution from heavy metals, which resulted from the study conducted last year, the European Commission encourages Kosovo MAFRD to benefit from the new project which will be implemented in the area of land quality. Closer cooperation should be developed between MAFRD, MESP and EC before results of sample analyses are published. It has been concluded that both MAFRD and MESP should work closely together with the new EC project. All parties should take particular care in presenting the results of the study.

Follow up:

- a) Systematic use of tables of concordance for all draft laws (December 2013);
- b) Involvement of civil society during preparation stage of all draft laws and sector strategies (December 2013);
- c) Adoption of the Law on Hunting, amending the Law No. 02/L-53 (September 2013);
- d) AI on maximum performance determination of grape per ha for qualified wines and other categories from Kosovo (December 2013);
- e) Agriculture land consolidation shall continue in municipality of Vitia (December 2013);
- f) Timetable on land consolidation for all the municipalities to be provided (December 2013);
- g) Detail report on land registry coverage to be provided (December 2013).
- h) Perform digitalization on eight Kosovo viticulture zones (December 2013);
- i) AI on distiller registration, part of Amendments to AI 06/2006 (June 2013);
- j) Amendment of AI No. 11/2006, on criteria for taking samples and organoleptic evaluation of wine (December 2013);
- k) Agriculture Census to be finalized (December, 2013);
- l) Establishment of Control Authority on Organic Farming (July 2013);
- m) Establishment of the Commission on Organic Farming (June 2013);
- n) Preparation of action plan on development of Organic Farming (December 2013);
- o) Preparation of the national draft-program on Organic Farming (December 2013);
- p) Setting up a database for the Organic Farming (December 2013);
- q) Establish a dialogue with organic agriculture producer organisations
- r) Use of TAIEX expertise in all sectors of agriculture (January-December 2013);
- s) Provide the Green Analysis Report for agriculture (December 2013);
- t) Provide detailed report on the proportions of land covered by the Farm Registry
- u) Provide timetable of accreditation (internal accreditation) of Wine Laboratory (December 2013);
- v) Provide figures on wine production and export (June 2013)

- w) Ensure close co-operation between MAFRD and MESP to implement the IPA project on the state of agricultural land
- x) Share with the EC a revised version of tables of agricultural trade statistics
- y) Locate a TAIEX expert on agricultural trade statistics

4. RURAL DEVELOPMENT

Considerable progress has been achieved in adoption of the secondary legislation, which implements the Law on Agriculture and Rural Development. In order to achieve the objectives of ARDP 2007-2013, to overcome the difficulties in the agro-rural sector and to better align Kosovo agricultural policies, MAFRD has adopted measures on direct support and measures on rural development in accordance with EU Common Agricultural Policy.

Regarding the advisory services, the Law on Advisory Services for Agriculture and Rural Development, no. 04/1-74, was approved on 15 February 2012 and the Strategy of Advisory Services for Agriculture and Rural Development 2012 – 2016, No. 02/87 has been approved on 17.08.2012. Apart from direct advice, based on the requests coming from the farmers, technical brochures for the best practices in agriculture have been prepared and disseminated to farmers, as planned in the Strategy of Advisory Services and on the Agriculture and Rural Development Plan. To facilitate this, MAFRD has signed memorandums of understanding for advisory services with all municipalities.

In order to prepare the new ARDP for the next period 2014-2020, a Programme Steering Group has been established and is currently working on development of the document. The new ARDP, and the National Strategy, will be aligned with the EU assistance, given through the new Instrument of Pre-accession Assistance (IPA II). Advisory services will be part of the Strategy and the Programme. EC emphasised the importance of taking into consideration the climate change, which was also raised as a concern by the civil society: Kosovo needs to give greater importance to measures both to adapt Kosovo agriculture to the effects of climate change and to mitigate climate change.

Based on the recent amendment of the Law on Agriculture and Rural Development and the Administrative Instruction no. 01/2012 dated 28.12.2012, an Agency for Agricultural Development was established, which will operate in compliance with the IPARD procedures. The support measures have increased, however, the number of applications by Local Action Groups (LAG) is very limited. EC urges a review of measures during the sector analysis.

EC noted that transparency has been increased by the Ministry in relation to the civil society with regard to allocation of grants and subventions and that this transparency and engagement was praised by civil society. A request from civil society, however, is to include swine within the support schemes, in addition to sheep and goats bearing in mind the competition from other countries in the region. EC advised that the extension of grants and subsidies to new sectors should be done on a strategic basis and not necessarily to respond to industry lobbying, and not to disperse the MAFRD's efforts.

As regards access to credit, a memorandum has been signed by MAFRD with six commercial banks on the creation of a fund for rural credits; however, the fund has not been created yet.

Cost of credits is still high, even though some of the banks have already decreased loan interest to 9%. The establishment of agriculture insurance on farming is on its initial steps. EC emphasised the significance of lower credit interests offered to farmers, which would positively impact agriculture development.

Follow up:

- a) Drafting the Agriculture and Rural Development Programme 2014-2020 and National Strategy (December 2013);
- b) Share the Agriculture and Rural Development Strategy and Programme 2014-2020 with the EC as an input to the Commission's Country Strategy Paper (June 2013)
- c) Consolidation of the Department of Advisory and Technical Services (December 2013);
- d) Complete the transition of the MAFRD Payment Department to Payment Agency
- e) Send the new MAFRD and FVA organisational chart to EC (June 2013).
- f) Establishment and functioning of the municipal centres in each municipality for provision of advisory services for agriculture and rural development (December 2013);
- g) Grant schemes and subventions to consider including the category of swine (June 2014);
- h) Adoption of the Administrative Instructions for the implementation of the Law on Advisory Services (September 2013);
- i) Irrigation sector to be further supported (December 2013);
- j) MAFRD to reconsider the direct payment support extended to other sectors for Programme 2013.

5. FORESTRY AND FISHERY

Fishery sector lacks support in the form of grants and subventions by the Ministry. A strategy for the development of fishery sector in Kosovo is being prepared. MAFRD and FVA, supported by the Twinning project, are working on the Regulation and it has been drafted in compliance with EC Directive no. 88/2006.

In the area of *forestry*, Kosovo Forestry Agency has prepared the annual operational plan for forest management for the year 2013. Drafting and approval of Long-term Plans for Management are prepared pursuant to Article 17 of the Law on Forests 2003/3. Management plans have been drafted for a surface area of 25,707.85 /ha.

During 2012 the long term plans for management were prepared for the area of 25,707.85 /ha by the Kosovo's Government and 9,434/ha by the Government of Finland. The main components of this plan include: the rational use of forests; protection of forests from illegal logging and protection of forests from fire.

Regarding the exploitation of gravel, there is a Memorandum with the Commission on Mines and Minerals. Exploitation of gravel is defined by law and administrative instruction. Before signing the contract, the company is obliged to comply with rules and to return the area at the same condition as it was before.

Forestation in surface area of 545ha is completed (regular forestation) together with the replenishment of failed saplings from plantings in 2011, covering an area of 145.5ha. KFA is

undertaking joint actions with Inspectors of Forestry, for controlling of markets and transport routes, and establishing permanent control points.

Between May-November 2012, the national inventorying of forests in Kosovo has been completed. This inventorying covered all forests in the territory of Kosovo, including previously mined areas, and also the northern municipalities which were not included in the inventorying of 2003. Based on the national forest inventory, in one third of the forest area in Kosovo, illegal harvesting is a challenge for the country. Level of illegal cuttings remains one of the main concerns in the forest management and a difficult challenge for the competent institutions.

Kosovo Forest Agency will continue the cooperation with municipalities, particularly in terms of reporting responsibilities with those municipalities which have difficulties in implementation of management plans. Challenges remain in implementation of the Forestry Strategy 2010-2020. Regarding forest protection, EC urges to coordinate all activities between municipalities and other institutions, such as MESP and Independent Commission on Mines and Minerals. In addition, cross-border operations need to continue to improve in fight against forest fire. EC emphasized that fight against illegal logging continues to be hampered by the lack of follow-up by the judiciary sector and decisive sanctions.

Follow up:

- a) All *acquis* elements should be involved when drafting Regulation, taking into consideration protection of local fish from foreign species (December 2013); **Request TAIEX assistance to transpose the Council Regulation on alien species.**
- b) TAIEX support to be used for the strategy for the development of fishery sector in Kosovo (December 2013);
- c) Table Report on forestry sector to be provided (volume, import, export, punishments and economic analysis, etc) (June 2013);
- d) Provide available statistical data regarding the volume and structure of trade on timber between Kosovo and EU Member States;
- e) Strategy for non-wood products to be prepared (December 2013);
- f) Law on Forests to be approved (December 2013);
- g) Inform the EC as to what elements of the *acquis* are covered by FVA Regulation 576/12

6. FOOD SAFETY

In the framework of development and implementation of policy and legislation on food safety, Kosovo has amended a number of Laws in order to be in compliance with the EU *Acquis*. These Laws are expected to be adopted during this year. In this regard EC stressed the importance of using the table of concordance when drafting each of the Laws as well as make sure that the secondary legislation addresses fully the *acquis* of this sector.

It was concluded that Kosovo should put special attention on increasing the capacities of the laboratories to conduct analyses. Hence, equipment, testing capacities, maintenance and servicing in the FVA laboratories is crucial. The accreditation of the Kosovo's laboratories should be finalized within a short time period. Continuing with the trainings for the permanent

staff of the laboratory and increasing the professional capacities must be seen as urgent need in order to address the lack of human capacities in all levels.

On the subject of *animal identification, registration and movement control system*, all of the data coming from the field such as births, slaughters, movements, testing for animal diseases, vaccination, import and export have been reported directly into the InterTrace database. At the same time, all parties involved in this system such as field veterinarians, inspectors, slaughterhouse owners, were trained on the system of reporting data into the database. On the other hand with the request of the MAFRD, an interconnection between the InterTrace software and the farm registry software was completed. Overcoming the challenges that Kosovo faces in this matter, EC recommended that the movement control system to be closely coordinated with the MAFRD subsidies provided for the farmers. Kosovo has to identify the measures to undertake and the link between grant scheme (MAFRD) and I&R database (FVA). It was also concluded that FVA needs to strengthen the discussions with municipalities in monitoring and licensing of markets in order to better control the animal movement.

Challenges remain on finalizing the transfer of municipal inspectors (veterinary and phytosanitary) in the FVA and change the municipalities approach to the process in order to complete the process. It was concluded that finalizing this process will enable the improvement of the FVA performance for all the issues related to the food safety and control. Hence this must be seen as one of the high priorities for the Kosovo Government to conduct.

Follow-up:

- a. Adoption of the Law on Food, amending the Law No. 03/L016 (June 2013);
- b. Adoption of the Law on Veterinary, amending the Law No. 2004/21 (September 2013);
- c. Adoption of the Law on Kosovo Sanitary Inspectorate, amending the Law No. 2003/22 (December 2013);
- d. Adoption of the Law on Livestock, amending the Law No. 2004/33 on Livestock (March 2013);
- e. Adoption of the Law Seeds and Sapling Material, amending the Law No. 2003/5 and the Law No. 2004/13 (December 2013); if necessary request TAIEX help.
- f. Use the Twinning expertise to look at overlaps on laws of food, veterinary, and phytosanitary (March 2013);
- g. Request TAIEX support for the legislation with regard to “diseases of aquatic animals” (March 2013);
- h. Organizational chart of MAFRD together with FVA to be provided (December 2013);
- i. Animal health monitoring plan to be provided (September 2013);
- j. Systematic use of tables of concordance (December 2013);
- k. Provide the List of laboratory equipments (December 2013);
- l. Report on the testing capacities of the laboratory to be provided (December 2013);
- m. Adoption of the Strategy of upgrading of FBOs; request TAIEX for a study visit (December 2013);
- n. Timely adoption of the measures to accompany the EU investment in building a rendering plant; secure operational costs.
- o. Enter into discussions with The former Yugoslav Republic of Macedonia on (possibly) amortising the rendering plant

- p. Maintenance and servicing contract of new laboratory equipments to be signed (December 2013);
- q. National sampling plan for phytosanitary controls for feed and feedstuff (December 2013);
- r. Residues Monitoring Plan to be provided (June 2013);
- s. Diseases list, prevalence of diseases to be provided (June 2014).
- t. MAFRD to consult EC on the Law on GMO.

Annex 1

List of participants

Government of Kosovo

Ministry of European Integration

Demush SHASHA	Secretary General
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Ministry of Agriculture, Forestry and Rural Development

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Halit HOXHAJ	Political Adviser
BashkimTHAÇI	Political Adviser
Shefki ZEQRIRI	Director of Legal Departments
Shqipe DEMA	Director, Agriculture Development Policy
BajramIMERI	Director of Livestock Department
Hysni THAÇI	Director of Rural Development Department
Isuf CIKAÇI	Director of Plant Protection and Production
Ekrem GJOKAJ	Director of Dep. for Economic Analyses and Statistics
Elhami HAJDARI	Director of Payment Department
Ylber KUQI	Head of Wine Sector
Sebahate HARADINAJ	Director of Dep. of European Integration
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Gani KAMBERI	Director of Legal Office
Flamur KADRIU	Acting Director of Public Health
Sadik HETA	Chief of I & R Sector
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