

Credit Support in agriculture (subsidized loan interest rate)

General info

Economy name

Serbia

ID

S58

Incentive name

Credit Support in agriculture (subsidized loan interest rate)

Brief description

Subsidized loan interest rate for agriculture investments

Legal reference

Legal reference name

Rulebook on the conditions and method of exercising the right to credit support
"Official Gazette of Serbia", no. 48 of May 19, 2017, 88 of September 29, 2017, 84 of November 2, 2018, 23 of March 29, 2019, 27 of March 13, 2020, 36 of April 9, 2021, 102 of October 29, 2021, 130 of December 29, 2021, 127 of November 18, 2022, 144 of December 30, 2022, 21 of March 17, 2023, 8 of February 2, 2024.

Legal reference (Law section / article)

Article 2.

Credit support is a type of incentive that allows agricultural farms easier access to the use of credit, namely for:

- 1) the development of animal husbandry, which includes the purchase of animals and the animal insurance premium prescribed by this rulebook, except for quality breeding heifers and quality breeding cows aged up to five years;
- 2) development of arable farming, fruit growing, viticulture, vegetable growing and flower growing, which includes the procurement of seeds, planting material and means for plant protection;
- 3) investments in agricultural machinery and equipment;
- 4) procurement of feed for animals;
- 5) investments in certain types of mechanization and equipment used in plant agricultural production;
- 6) the development of animal husbandry, which includes the acquisition of quality breeding heifers and quality breeding cows up to five years of age and the insurance premium for these animals prescribed by this rulebook;
- 7) development of arable farming, fruit growing, viticulture, vegetable growing and flower growing, which includes the procurement of fertilizers.

Article 2 (7)

Facilitated access to the use of loans from paragraph 1, point. 1)-4) of this article is realized through subsidizing part of the interest on the loan, and that is so that the interest rate, which is equal to the reference interest rate of the Central Bank of Serbia, is increased by 3.5 percentage points and decreased by three percentage points (calculated according to the conforming method on actual number of days in a year) for credit support with a repayment term of up to three years.

Facilitated access to the use of loans from paragraph 1, point. 1)-4) of this article is realized through subsidizing part of the interest on the loan, and that is so that the interest rate, which is equal to the reference interest rate of the Central Bank of Serbia, is increased by 3.5 percentage points and decreased by three percentage points (calculated according to the conforming method on actual number of days in a year) for credit support with a repayment term of up to three years.

Facilitated access to the use of loans from paragraph 1. point 5) of this article is achieved through subsidizing part of the interest on the loan, and that is so that the interest rate, which is equal to the reference interest rate of the Central Bank of Serbia, is increased by four percentage points and decreased by three percentage points (calculated using the conformal method for the actual number of days in the year).

Incentive design

Incentive group

Financial

Incentive category

Subsidy

Economy-wide/Sector-specific

Sector-specific

Sector (Simplified)

Agriculture

Sector (NACE)

A AGRICULTURE, FORESTRY AND FISHING

Size of firm that can use incentive

Micro (1-9) & SMEs (10-249)

Level at which incentive is available

Economy-wide

Ownership of firm that can use incentive

Domestic

Incentive location

Specific region

Main objective of the incentive

Technological advancement

In case of grant, share of grant in investment (in %)

Access to information

Contact Info

Ministry of Agriculture, Forestry and Water Management
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Weblink to Incentive information in English

Weblink to Incentive information in local language

Eligibility criteria

Eligibility criteria (description)

legal entity, namely:

- (1) agricultural cooperative with at least five cooperative members who are registered in the Register as holders or members of five different registered agricultural holdings,
- (2) if it is classified as a micro or small legal entity in accordance with the law regulating accounting.
- 3) credit support provided that the total amount of the loan is up to RSD 18,000,000.

Eligibility criteria (weblink)

Incentive administration

Awarding Authority (Name)

Ministry of Finance

Application procedure + Weblink (where available)

<https://erpg.eagrar.gov.rs/>

Implementing Authority (Name)

Ministry of Agriculture, Forestry and Water Management