

Financial Subsidies for Rural Development

General info

Economy name

Bosnia and Herzegovina

ID

B14

Incentive name

Financial Subsidies for Rural Development

Brief description

Financial subsidies in amount of 45,500,000 KM have been allocated to enhance competitiveness vital for agricultural farms and the food industry, supporting investments in machinery, equipment, breeding stock, facility construction, processing, legalization, environmental compliance, perennial crops, and agricultural holdings in underdeveloped areas.

Legal reference

Legal reference name

Law on agriculture (2007); Law on Financial Support in Agriculture and Rural Development ("Official Gazette of the Federation of Bosnia and Herzegovina", no. 42/10 and 99/19)

Legal reference (Law section / article)

Article 20 (1) The basic amount of financial support is the product of the amount of eligible investment costs and the percentage of financial support from paragraph (2) of this article. The amount of eligible costs for each individual investment project is determined based on invoices and proof of payment.

(2) The percentage of financial support for the measures from Article 15, paragraph (1) of this Support Program is:

- a) for projects from points a), b), c), d), e), and f) - up to 50% of the eligible investment costs,
- b) for projects from point g) - up to 35% of the eligible investment costs provided that the value of domestic raw materials in production is at least 33%, and in the case of milk processing, at least 66% (these percentage restrictions do not apply to the milling and baking industry, the beer industry, and processing capacities for which there is not a sufficient quantity of domestic raw materials),
- c) for projects from point h) - up to 75% of the eligible investment costs.

(3) The basic amount of financial support for the measure from Article 16 of this Support Program is up to 100% of the eligible investment costs.

(4) The basic amount of financial support for the measures from Article 17 of this Support Program is 40% of the eligible investment costs in plant production, livestock, and fisheries, or 35% of the eligible investments in the food industry until the maximum amount of financial support from Article 22, paragraph (1) and paragraph (2) point a) of this Program is achieved.

(5) The basic amount of financial support for the measure from Article 18 of this Support Program is up to 75% of the eligible costs of obtaining certificates for organic production.

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

All sizes of firms

Level at which incentive is available

Economy-wide

Ownership of firm that can use incentive

Any

Incentive location

Specific region

Main objective of the incentive

Agricultural advancement

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

Access to information

Contact Info

Street "Hamdije Čemerlića" br. 2, 71000 Sarajevo

Weblink to Incentive information in English

Weblink to Incentive information in local language

<https://fmpvs.gov.ba/2024/04/04/objavljen-program-novcanih-podrski-u-poljoprivredi-i-ruralnom-razvoju-za-2024-godinu/>

Eligibility criteria

Eligibility criteria (description)

Funding is designated to support investments in agricultural machinery and attachments, equipment for

crop and livestock production, procurement of breeding stock, construction, expansion, and equipping of facilities for agricultural production and processing, legalization of construction facilities, compliance with environmental standards, establishment of perennial crops, and investment support for agricultural holdings in extremely impoverished areas with underdeveloped agricultural production.

Eligibility criteria (weblink)

<https://fmpvs.gov.ba/2024/04/04/objavljen-program-novcanih-podrski-u-poljoprivredi-i-ruralnom-razvoju-za-2024-godinu/>

Incentive administration

Awarding Authority (Name)

The Ministry of Agriculture and Development Bank of the Federation of Bosnia and Herzegovina

Application procedure + Weblink (where available)

Applicants must submit a written request for loan funds along with required documentation outlined in the Public Call published by the respective Ministry.

Implementing Authority (Name)

The Ministry of Agriculture and Development Bank of the Federation of Bosnia and Herzegovina