

1st MODIFICATION PROPOSALS TABLE FOR IPARD III PROGRAMME

Ch. No	Title	Page No	Current Phrase	Related Change
All Chapters	Whole Programme		"Turkey"	"Türkiye"
2	BENEFICIARY COUNTRY 2.1. Geographical Area Covered by the Programme	1	To ensure smooth transition from the 2014-2020 programme, the 2021-2027 programme will initially cover 42 provinces corresponding to NUTS 3 level regions (Afyonkarahisar, Ağrı, Aksaray, Amasya, Ankara, Ardahan, Aydın, Balıkesir, Burdur, Bursa, Çanakkale, Çankırı, Çorum, Denizli, Diyarbakır, Elazığ, Erzincan, Erzurum, Giresun, Hatay, Isparta, Kahramanmaraş, Karaman, Kars, Kastamonu, Konya, Kütahya, Malatya, Manisa, Mardin, Mersin, Muş, Nevşehir, Ordu, Samsun, Sivas, Şanlıurfa, Tokat, Trabzon, Uşak, Van and Yozgat) covered by IPARD 2014-2020. Since the National Rural Development Strategy foresees application of the IPARD Programme in all 81 provinces, possibility of extending the coverage of the IPARD 2021-2027 to cover all provinces with special care not to interrupt the implementation of the programme will be considered depending on the budget available, absorption patterns and cost/benefit analysis and administrative costs. Moreover, the added value to be created by expanding the EU Rural Development experience all around the country will also be taken into consideration.	The geographical scope of the Programme is the entire territory of Türkiye.
	Figure 1. Eligible IPARD 2021-2027 Provinces as of Inception of the Programme	-	-	The figure was be deleted.
8	8.1.d(2)(c)	112	expenditure incurred by a recipient of whose capital more than 25% is held by a public body or bodies.	expenditure incurred by a recipient of whose capital more than 25% is held by a public body or bodies (except Union of Turkish Chambers of Agriculture and its affiliated provincial and district units).

8	8.1.d (3)	112	Investment in the tobacco sector is not eligible under IPARD.	Investment in the tobacco and hemp sectors are not eligible under IPARD.
8	8.1. Requirements concerning all or several measures i. Use of simplified cost options	114	Simplified cost options shall be applicable for M5-LEADER, M6-Investments in Rural Public Infrastructure, M9-Technical Assistance and M10-Advisory Services.	Simplified cost options shall be applicable for M5-LEADER, M6-Investments in Rural Public Infrastructure, M9-Technical Assistance and M10-Advisory Services. For the investment measures namely M1-Investments In Physical Assets Of Agricultural Holdings, M3-Investments In Physical Assets Concerning Processing And Marketing Of Agricultural And Fishery Products, and M7-Farm Diversification And Business Development, simplified cost option may also be used.
M1 - INVESTMENTS IN PHYSICAL ASSETS OF AGRICULTURAL HOLDINGS				
8	8.3.1.7.2 Economic viability of the recipient	123	-	For smaller investments with an eligible expenditure amount of 180.000 EUR and below, a simplified form of a business plan can be used. The IPARD Agency shall prepare templates for such business plans to be made available to all potential final beneficiaries.
M3-INVESTMENTS IN PHYSICAL ASSETS CONCERNING PROCESSING AND MARKETING OF AGRICULTURAL AND FISHERY PRODUCTS				
8	8.3.2.7 Common eligibility criteria	141	The setting up of a new enterprise is eligible in milk processing, whey processing, milk collection, red meat slaughterhouses, red meat cutting plants, fruit and vegetable processing and fish processing with the condition that there is no overcapacity in the province (confirmed by the Provincial Directorate of Ministry of Agriculture) at the application stage.	The setting up of a new enterprise is eligible in milk processing, whey processing, milk collection, egg processing, red meat slaughterhouses, red meat cutting plants, fruit and vegetable processing and fish processing with the condition that there is no overcapacity in the province (confirmed by the Provincial Directorate of Ministry of Agriculture and Forestry) at the application stage.
8	8.3.2.7 Common eligibility criteria	141	Applicants should submit a business plan in accordance with the requested format by the IPARD Agency. The business plan should demonstrate the economic viability of the enterprise at the end of the realization of the	Applicants should submit a business plan in accordance with the requested format by the IPARD Agency. The business plan should demonstrate the economic viability of the enterprise at the end of the

			investment. The economic viability of the investment will be verified against the criteria listed in Annex IV. For smaller investments, a simplified business plan will be submitted.	realization of the investment. The economic viability of the investment will be verified against the criteria listed in Annex IV. For smaller investments, a simplified business plan will be submitted.
8	8.3.2.7.1 Types of enterprises and producer organisations supported	142	Small and medium sized enterprises that process milk, meat, poultry meat and eggs (including milk collection centres and slaughterhouses) are within the scope of support under this measure. These enterprises must comply with the national SME definition of Small and Medium Industry Development Organization included in Annex I.	Small and medium sized enterprises that process milk, whey, red meat, poultry meat (including milk collection centres and slaughterhouses), eggs, fruit and vegetable , and fish are within the scope of support under this measure. These enterprises must comply with the national SME definition of Small and Medium Industry Development Organization included in Annex I.
8	8.3.2.8 Specific eligibility criteria	144	<u>Meat and Egg Processing</u> For processing of red meat and poultry meat, investments for capacity increase of enterprises are not eligible and establishment of new processing enterprises are not supported.	<u>Meat and Egg Processing</u> For processing of red meat and poultry meat, investments for capacity increase of enterprises are not eligible and establishment of new processing enterprises is not supported. Establishment of new poultry cutting plants and slaughterhouses is not supported.
8	8.3.2.8 Specific eligibility criteria	145	<u>Fruit & Vegetable Processing</u> Investments should be in line with storage, grading, processing, drying, roasting, freezing and packing of fruits and vegetables identified in Annex I, Part IX of Council Regulation 1308/2013.	<u>Fruit & Vegetable Processing</u> Investments should be in line with Council Regulation No.1308/2013 Annex I, Part VII: Olive oil and table olives list
8	8.3.2.9 Eligible expenditure <u>Fruit & Vegetable Processing</u>	147	Purchasing of machinery and equipment for processing of bananas (in line with Council Regulation No.1308/2013 Annex I, Part XI: Bananas).	To be deleted
8	8.3.2.9 Eligible expenditure Common to all sectors	146	-	One refrigerated truck per project without curb weight limitation or maximum of 2 refrigerated trucks, each with a maximum curb weight of 8 tons per project or maximum of 3 refrigerated vehicles each with an curb weight of 3,5 tons per project. Total cooling capacity can not exceed 90 m³ per

				project.
8	8.3.2.9 Eligible expenditure	147	Meat Processing -Modernization and/or extension of slaughterhouses and cutting plants for red meat.	Meat Processing - Construction /Modernization and/or extension of slaughterhouses and cutting plants for red meat.
8	8.3.2.11 Aid intensity and EU contribution rate	150	The minimum and maximum limits of the total value of eligible investments per project are: ▪ EUR 30 000 and EUR 3 000 000 for the milk (including whey) and meat sectors,	The minimum and maximum limits of the total value of eligible investments per project are: ▪ EUR 30 000 and EUR 3 000 000 for the milk (including whey), meat and egg sectors,
M5-IMPLEMENTATION OF LOCAL DEVELOPMENT STRATEGIES - LEADER APPROACH				
8	8.3.4.3 Rationale	181	In Turkey, there are currently 50 LAG, which were established at the local level in 12 IPARD provinces and which signed a contract in 2020.	In Turkey, there are currently 49 LAG, which were established at the local level in 12 IPARD provinces and which signed a contract in 2020.
8	8.3.4.3 Rationale	182	Within the scope of this new project, in 15 IPARD provinces, there are ongoing efforts to establish 60 new LAGs (at least 2 in each province) and to prepare draft LDS.	Within the scope of this new project, there are 49 LAGs established at local level in 14 IPARD provinces and signed contracts in 2022 and 2023. The implementation of LDS by LAGs continues with funds provided by the LEADER budget.
8	8.3.4.6.1 LEADER implementation under IPARD	183	LAGs implement an LDS, which can contain one or more of the following six priority themes :	LAGs implement an LDS, which can contain one or more of the following six priority themes: The themes chosen should be complementary to each other.
8	8.3.4.6.1 LEADER implementation under IPARD	183	The implementation of the LDS covers: • animation and capacity building activities, • small projects and	The implementation of the LDS covers: • Acquisition of skills, animating the inhabitants of LAG territories" for capacity building and animation of selected LAGs; • Implementation of "small projects and
8	8.3.4.6.1	183	<u>Local Action Groups shall satisfy the following</u>	Each Local Action Group shall satisfy the following

	LEADER implementation under IPARD		<u>conditions:</u> ▪ Must propose an integrated LDS based on the LEADER characteristics as defined minimum content of the LDS.	conditions: ▪ Must propose a LDS based on the LEADER characteristics as defined minimum content of the LDS.
8	8.3.4.6.1 LEADER implementation under IPARD	184	<u>Local Action Groups shall satisfy the following conditions</u> ... -Local Action Group must have a legal form (e.g.,association, foundation,etc.);	<u>Each</u> Local Action Group shall satisfy the following conditions ... -Local Action Group must have a legal form (e.g.,association)
8	8.3.4.7.1 Acquisition of skills, animating the inhabitants of LAG territories	185	At least 30% of the budget for the implementation of the LDS should be allocated to these activities.	Acquisition of skills, animating the inhabitants of LAG territories” has to be at least 30% of the budget for the implementation of the LDS and it cannot be less than the amount allocated for running costs of the same year.
8	8.3.4.7.3 Small projects	186	Examples of small projects: • ... • Purchase of materials and equipment (such as computers, packing and marketing equipment, publicity and marketing materials, tourism information boards, signs, solar panels, composters, materials for cultural and youth groups, furniture and equipment for community rooms and similar items);	Examples of small projects: • ... • Purchase of materials, and equipment (such as computers, packing and marketing equipment, publicity and marketing materials, tourism information boards, signs, solar panels, composters, materials for cultural and youth groups, furniture and equipment for community rooms and similar items); • Purchase of specialised motor vehicles (including electric tricycle, electric pickup truck, electric vans) for LAG cooperatives and associations involved in the development of short supply chain (The purchase of vehicles will be eligible as long as they are specialized vehicles directly related to the objectives and purpose of the supported investment. The eligibility of the purchase of specialized vehicles will be limited to projects of LAGs related to the development of short supply chains. Within the scope of small projects, LAG stakeholder NGOs such as

				cooperatives, associations, etc. will be provided with electric vehicle support with a budget of EUR 5,000 in relation to the purpose of the investment. EUR 5000 limit cannot be exceeded)
8	8.3.4.8 Procedure for selecting Local Action Groups	186	The Members of the Evaluation Committee will be nominated by the Deputy Minister or a senior executive authorized by the Deputy Minister, upon the proposal of the Managing Authority.	The Members of the Evaluation Committee will be appointed by the Minister or the relevant Deputy Minister on the proposal of the Managing Authority.
8	8.3.4.8.1 Eligibility criteria	186	Legal form: A LAG shall be an officially registered legal entity (i.e., association, foundation) based on means of valid relevant legal acts.	Legal form: A LAG shall be an officially registered legal association based on means of valid relevant legal acts
8	8.3.4.8.1 Eligibility criteria	187	Partnership: At least 7,5% of the partnership is made of women and at least 7,5% of young members under aged 25 to ensure gender and age equality (this cannot be the same person); 7	Management Board: At least one women member and at least one young member (young members under aged 25) in management Board to ensure gender and age equality (this cannot be the same person);
8	8.3.4.10 Aid intensity and EU contribution rate	187-188	... Animation / acquisition of skills, running costs and small projects of the LAG shall be eligible within a limit set up by the Managing Authority for LAGs per year. ...	... Animation / acquisition of skills, running costs and small projects of the LAG shall be eligible within a limit set up by the Managing Authority for LAGs per year. The budget allocations for LDS according to LAG category are as below: Maximum total annual amount to be allocated; - For small LAGs 100.000 € - For medium LAGs 120.000 € - For Large LAGs 140.000 € Of which: Maximum annual amount allocated for recurring cost for small LAGs 30.000 € Maximum annual amount allocated for recurring cost for medium LAGs 35.000 € Maximum annual amount allocated for recurring cost

				for Large LAGs 40.000 € Maximum amount per each LAG to be allocated for the purchase of assets for the whole period of LDS. 30.000 €
8	8.3.4.10 Aid intensity and EU contribution rate	188	Contracted LAGs may receive an advance to start-up activities from the national funding, but this in no case is considered as costs incurred to be reimbursed by the Commission via IPARD. The amount of the advances shall not exceed 50% of the annual allocation of the public support related to the running cost, animation costs and small projects.	Contracted LAGs may receive an advance to start-up activities from the national funding, but this in no case is considered as costs incurred to be reimbursed by the Commission via IPARD. The amount of the advances shall not exceed 50% of the annual allocation of the public support related to the running cost, animation costs and small projects.
M6-INVESTMENTS IN RURAL PUBLIC INFRASTRUCTURE				
8	8.3.5.2 Legal basis	190	-	• Article 3.2.d of IPA Council Regulation No: 2021/1529 • Article 20 of IPA Commission Implementing Regulation (EU) No: 2021/2236 • Relevant provisions of IPARD Sectoral Agreement
8	8.3.5.3 Rationale	191	About a half of the municipalities and most of the villages do not have a sewage system. Considering the villages and their affiliated units, it can be said that there is a sewage system in about 20% of them. With new investments in the sewage system and treatment plant in rural areas, the hygiene needs and living comfort of those living in rural areas as well as the protection of groundwater will be improved.	About a half of the municipalities and most of the villages do not have a sewage system. Considering the villages and their affiliated units, it can be said that there is a sewage system in about 20% of them. With new investments in the sewage system and treatment plant in rural areas, the hygiene needs and living comfort of those living in rural areas as well as the protection of groundwater will be improved. Also; treated water can also be used for irrigation purposes.
8	8.3.5.7 Common eligibility criteria	193	Each project must comply with the relevant national legal requirements and the relevant Union standards in force before final payment of the investment by ARDSI (physical closure).	Each project must comply with the relevant national legal requirements and the relevant Union standards in force before final payment of the investment by ARDSI IPARD Agency (physical closure).

M7-FARM DIVERSIFICATION AND BUSINESS DEVELOPMENT

8	8.3.6.3 Rationale	201	Within the scope of aquaculture , it is necessary to support those who want to grow fresh or salt water products or to modernize their existing breeding facilities and to give priority to those who want to grow alternative aquaculture products. In addition, fishermen's shelters operated by Producer Organizations should also be supported. Especially in the Black Sea Region, many people make their living from fishing due to limited livelihoods.	Within the scope of aquaculture , it is necessary to support those who want to grow fresh or salt water products or to modernize their existing breeding facilities and to give priority to those who want to grow alternative aquaculture products. In addition, fishermen's shelters operated by Producer Organizations should also be supported. Especially in the Black Sea Region, many people make their living from fishing due to limited livelihoods.
8	8.3.6.4.1 Specific objectives	202	Aquaculture: cultivation of water products, restaurants that serve products and fishermen's shelters.	Aquaculture: cultivation of water products, restaurants that serve products and fishermen's shelters.
8	8.3.6.7.4 Specific eligibility criteria	208	Renewable energy investment with a capacity up to 5 MW (for micro-cogeneration investments up to 100 kWe) shall be supported.	Renewable energy investment with a capacity up to 5 MW (for photovoltaic solar power system and concentrated solar power system investments up to 300 kWe) (for micro-cogeneration investments up to 100 kWe) shall be supported.
8	8.3.6.8.2 Eligible expenditures specific to sectors;	211	Aquaculture Construction and purchasing of equipment for fishing shelters.	Aquaculture Construction and purchasing of equipment for fishing shelters.
8	8.3.6.7.2 Economic viability of the recipient	205	In case of smaller investments to be defined in the programme, a simplified form of a business plan can be accepted. The IPARD Agency shall prepare templates for such business plans to be made available to all potential final beneficiaries.	For smaller investments with an eligible expenditure amount of 180.000 EUR and below, a simplified form of a business plan can be accepted. The IPARD Agency shall prepare templates for such business plans to be made available to all potential final beneficiaries.
8	8.3.6.7.4 Specific eligibility criteria	206	Investment must be located in rural areas except for investments undertaken by farmer (understood as natural	Investment must be located in rural areas except for investments undertaken by farmer (understood as

	Crafts and Artisanal Added Value Products		persons who do not have economic activity other than agriculture) or a member of a farm household.	natural persons who do not have economic activity other than agriculture) or a member of a farm household.
8	8.3.6.8.1 Eligible expenditures common to all sectors	209	Purchase of machinery/ equipment and construction works for energy production using biomass, wind, solar and geothermal to meet energy need of farm diversification and business development activities and also to sell surplus energy.	Purchase of machinery/ equipment and construction works for energy production using biomass, wind, solar and geothermal to meet energy need of farm diversification and business development activities and also to sell surplus energy.
8	8.3.6.9 Selection criteria	212	7) If the applicant's residential address is in a rural area: 10 Points 8) If the applicant has not signed a contract under IPARD Programme before (10 points)	7)- 8) If the applicant has not signed a contract under IPARD Programme before (20 points)
8	8.3.6.14 Geographic scope of the measure	215	This measure is applicable in all provinces covered by the IPARD programme for investments in rural areas, as defined in the programme. There are however two exceptions: Farmers and / or their household members, diversifying on or off farm activities, and producer organisations may be eligible recipients regardless of whether they and their investments are located in urban or rural area	This measure is eligible for investments in rural areas, as defined in the programme. However, for the sole purpose of investments in short value chain, •carried out by farmers and/or their household members or by producer organisations, and •consisting in establishing facilities to sell their own products, only such investments may be located in rural or urban areas.
8	8.3.6.11 Indicative budget	214	-	*15% of annual budget of Measure M7 is allocated to open area plant production sub-sector and cannot exceed this amount.
12	12.1. Description of the operating structure (Managing Authority and IPARD Agency) and their main functions	237	The Operating Structure of the IPARD III Programme, which consists of the separate authorities operating in close cooperation, has been established in line with the requirements of the Article [10 (2)] of the FFPA	The Operating Structure of the IPARD III Programme, which consists of the separate authorities operating in close cooperation, has been established in line with the requirements of the Article [10 (1)] of the FFPA

12	12.1. Description of the operating structure Managing Authority (MA)	238	In accordance with Article ... of the FFPA and Article ... of the SA, the MA shall have the following duties and responsibilities:	In accordance with ANNEX A Clause 6a of the FFPA and Article 8 of the SA, the MA shall have the following duties and responsibilities:
12	12.1. Description of the operating structure IPARD Agency (Agriculture and Rural Development Support Institution-ARDSI)	239	In accordance with Article ... of the FFPA and Article ... of the SA, the Agriculture and Rural Development Support Institution (ARDSI) shall have the following duties and responsibilities:	In accordance with ANNEX A Clause 6b of the FFPA and Article 9 of the SA, the Agriculture and Rural Development Support Institution (ARDSI) shall have the following duties and responsibilities:
12	12.1. Description of the operating structure IPARD Agency (Agriculture and Rural Development Support Institution-ARDSI)	239	m)Ensuring compliance with the obligations concerning publicity referred to in Article xx of the FFPA and executing publicity activities with the Managing Authority,	m) Ensuring compliance with the obligations concerning publicity referred to in Article 24 of the FFPA and executing publicity activities with the Managing Authority,
12	12.2. Description of monitoring and evaluation systems, including the envisaged composition of the Monitoring Committee.	240	Annual and final implementation reports drawn by MA are submitted to IPARD Monitoring Committee for the discussion and approval of the content, analyses and results presented in the reports, in accordance with the IPA Implementing Commission Regulation (EC) No, Article.....	Annual and final implementation reports drawn by MA are submitted to IPARD Monitoring Committee for the discussion and approval of the content, analyses and results presented in the reports, in accordance with the IPA Implementing Commission Regulation (EC) No 2021/2236 Article 10
12	12.2. Description of monitoring and evaluation systems, including the envisaged composition of the Monitoring Committee.	241	<u>Composition</u> The composition and functioning of the Monitoring Committee is based in accordance with Article 53(9) of the FFPA	<u>Composition</u> The composition and functioning of the Monitoring Committee is based in accordance with Article 53 (7) of the FFPA
Annex I. Definition of medium and small scale enterprises	Annex I. Definition of medium and small scale enterprises	286	The definition of an SME was confirmed in Turkish law, and brought into line with the EU definition, through Regulation No. 2005/9617, introduced on the 18th November, 2005. The definition was modified with subsequent legislations; the final one was published in the Official Gazette No 4778 dated 24 June 2018. Under the current definition, SMEs are “economic entities, which employ less than 250 persons and which have an	The definition of an SME was confirmed in Turkish law, and brought into line with the EU definition, through Regulation No. 2005/9617, introduced on the 18th November, 2005. This regulation is repealed with "Small and Medium-Sized Enterprises Regulation" that entered the force and the definition was modified with subsequent legislations; the final one was published in the Official Gazette No 32201

			annual turnover or an annual balance sheet not exceeding 125 million TL”. According to TURKSTAT's 2020 data, the number of SMEs is 3.2 million, making up 99.8% of the enterprises in Türkiye. SMEs constitute 73.8% of employment, 64.5% of total turnover and 56.3% of total exports in Türkiye. In the current legislation the sub-division of SMEs are defined as follows: ▪Enterprises employing less than 10 persons throughout the year with turnover or total balance sheet less than 3 million TL are micro establishments. ▪Enterprises employing less than 50 persons with turnover or total balance sheet less than 25 million TL are small establishments. ▪Enterprises employing less than 250 persons with turnover or total balance sheet less than 125 million TL are medium establishments.	4778 dated 24 June 2018 25 May 2023. Under the current definition, SMEs are “economic entities, which employ less than 250 persons and which have an annual turnover or an annual balance sheet not exceeding 125 500 million TL”. According to TURKSTAT's 2020 data, the number of SMEs is 3.2 million, making up 99.8% of the enterprises in Türkiye. SMEs constitute 73.8% of employment, 64.5% of total turnover and 56.3% of total exports in Türkiye. In the current legislation the sub-division of SMEs are defined as follows: ▪☐Enterprises employing less than 10 persons throughout the year with turnover or total balance sheet less than—3 10 million TL are micro establishments. ▪☐Enterprises employing less than 50 persons with turnover or total balance sheet less than 25 100 million TL are small establishments. ▪☐Enterprises employing less than 250 persons with turnover or total balance sheet less than 125 500 million TL are medium establishments.
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