



SUBSIDIES

NEW AND FULL NOTIFICATION PURSUANT TO ARTICLE XVI:1 OF THE GATT 1994 AND ARTICLE 25.1 OF THE AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

MONTENEGRO

Supplement

The following communication, dated and received on 16 November 2023, is being circulated at the request of the delegation of Montenegro.

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I NON-FISHERIES PROGRAMMES

1 PROGRAMME FOR DEVELOPMENT OF THE MANUFACTURING INDUSTRY FOR 2022

1. Title of the subsidy programme

Programme for Development of Manufacturing Industry for 2022.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The aim of the Programme for Development of Manufacturing Industry for 2022 is increasing production capacity, optimal utilization of resources, improving energy efficiency, reducing production costs, diversifying and developing products and services with greater added value, increasing innovation capacity, product quality and job creation with purchase of equipment.

The specific objectives of the Programme were:

- encouraging investments in the modernization of the manufacturing industry,
- increase in the number of employees, and
- increase the productivity of the manufacturing industry.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Background authority for the subsidy has been the Ministry of Economic Development and Tourism of Montenegro in cooperation with the Investment and Development Fund of Montenegro and Commercial banks, based on the Industrial Policy of Montenegro 2019–2023, Action plan for implementation of Industrial Policy 2022 and Montenegro Economic Reform Programme 2023–2025.

5. Form of the subsidy

Grants. The amount of non-refundable support as a cover of part of the eligible costs of procurement of equipment through the loan, is in the amount of up to 30-40% of the net invoiced value of equipment (from EUR 4,000.00, up to EUR 80,000.00 for new equipment and from 3,000.00, up to EUR 60,000.00 for used equipment) For the enterprises that are doing business in less developed municipalities of Montenegro the percentage of grant support is increased by 10%, thus grant is provided from 4,000.00, up to EUR 100,000.00.

6. To whom and how the subsidy is provided

Registered micro, small and medium-sized companies and entrepreneurs who have been in the business in manufacturing industry since end of 2021 and whose registered principal activity in the Commercial Court of Montenegro and who fulfill all required conditions of the Programme. In 2022, the Ministry received 17 applications from the enterprises operating in manufacturing sector. After checking the documentation and fulfillment of conditions of the Programme, the Commission of the Ministry of Economic Development and Tourism approved 13 applications in accordance with the Programme procedure, rules and conditions in amount of EUR 805,897.88 support by the Ministry of Economic Development and Tourism. The equipment worth EUR 1,929,382.00 was purchased.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The available funds in 2022 for the implementation of the Programme were EUR 1,000,000.00.

8. Duration of the subsidy and/or any time limits attached to it, including date of inception/commencement

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

2 PROGRAMME LINE FOR THE INTRODUCTION OF INTERNATIONAL STANDARDS

1. Title of the subsidy programme

Programme Line for the Introduction of International Standards.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The goal of the International Standards program line is to provide support to entrepreneurs, micro, small and medium-sized enterprises, especially from less developed local self-government units, primarily from the northern region, to increase as much as possible their competitiveness, primarily through alignment with the requirements of international standards relating to products/services and support for accreditation for assessment of conformity. Specific objectives: increasing the competitiveness of business entities and their products/services on domestic and international markets; harmonization of products/services with international standards; increasing exports; reducing regional disparities; development of consulting services.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

The principle is that the company finances 100% of all costs until the completion of the activity for which he competes, and then after submitting documentation proving the expenditure of funds the contracted activities, by the Ministry of Economic Development approves a refund Up to 70% for micro and small enterprises and up to 60% for medium-sized enterprises the amount of eligible costs without VAT, and in the maximum amount for implementation and certification/recertification up to EUR 3,000.00 excluding VAT. Maximum amount that can be allocated for the activity of implementing the standard is up to EUR 1,800.00 excluding VAT, while the maximum amount that can be allocated for activities certification/recertification of standards is up to 1,200.00 without VAT, and in accordance with defined percentage of support.

If a company has a minimum of 50% ownership, women and/or persons up to 35 years of age, as well as economic companies operating in local self-government units (LSUs) with index development up to 100% maximum support is up to 80% costs without VAT, i.e. in the maximum amount up to EUR 4,000.00. Maximum amount which can be allocated for standard implementation activities is up to EUR 2,400.00 without VAT, while the maximum amount that can be allocated for certification/recertification the standard is up to 1,600.00 without VAT in accordance with the defined percentage of support.

The condition is that in the last six months until the date of publication of the Public Invitation there was no change in the structure of ownership, as well as in the change of address of the Company's headquarters (within the framework of other units of local self-government).

Special support will be directed to legal entities wishing to be accredited or the existing certification bodies that want to expand the scope of accreditation, where the maximum the amount of support for preparation and accreditation activities is up to 4,000.00 without VAT. Support for micro and small enterprises is 70%, or up to 60% for medium-sized enterprises. the company, and if in the founding structure of the company is owned by at least 50%, women and/or persons up to 35 years of age, as well as companies that are registered and perform activities in local units self-government with a development index of up to 100% the intensity of maximum support up to 80% of eligible costs excluding VAT, and in accordance with the defined percentage support. The condition is that in the last six months until the date of publication of the Public Call there were no changes in the structure of ownership, as well as in the change of the address of the Company's headquarters (in within the second unit of local self-government).

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium - sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14) and the Law On Accounting ("Official Gazette RCG" No. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 250,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

3 PROGRAMME LINE FOR THE CIRCULAR ECONOMY SUPPORT

1. Title of the subsidy programme

Programme Line for the Circular Economy Support.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The main objective of this program line is to minimize the impact of waste on the environment and increasing the efficiency of resource use, in order to create a contribution to sustainable development, through incentives for investment and affirmation of economic opportunities arising from waste. Implementation of support measures envisaged by this line at full capacity, in the middle the timeline should contribute to increasing the elevation of social, cultural, scientific, governance, technical and technological standards in a circular economy. Main objectives are: creating preconditions for a circular economy; introduction of a biological wastewater treatment system; increasing the quality and quantity of recycled water in industry; improving waste management and recycling.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

The principle is that the company finances 100% of all costs until the completion of the activity for which he competes, and then after submitting the documentation proving the expenditure of funds the contracted activities, by the Ministry of Economic Development approves a refund up to 70% for entrepreneurs, micro and small enterprises, i.e. up to 60% for medium-sized enterprises, the amount of eligible costs without VAT, and in the maximum up to EUR 10,000.00 excluding VAT (Component I and II, and partly Component III - Co-financing the purchase of machines for recycling paper and plastics).

For activities under Component III – Co-financing the procurement of collection equipment and classification of municipal waste, Co-financing the procurement of organic products and packaging, As well as co-financing the purchase of environmentally friendly materials, refunds are granted costs of part of the cost in the amount of up to 70% for entrepreneurs, micro and small enterprises, i.e. up to 60% for medium-sized enterprises, the amount of eligible costs without VAT, and in maximum amount up to EUR 2,000.00 without VAT.

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium - sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14) and the Law On Accounting ("Official Gazette RCG" No. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 200,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

4 PROGRAMME LINE FOR CRAFTS DEVELOPMENT AND PROMOTION FOR 2022

1. Title of the subsidy programme

Programme Line for Crafts Development and Promotion for 2022.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The goal of the Programme for Crafts Development and Promotion was the promotion of Montenegrin crafts through provision financial support to entrepreneurs and companies that perform craft activities (hereinafter: craftsmen), in the sense of encouraging and enabling the procurement of equipment and tools intended exclusively for performing craft activities as well as organizing and participating in domestic and international fairs and events.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Based on the Law on Crafts ("Official Gazette of the Republic of Montenegro", No. 40/11), Law on Regional Development of Montenegro ("Official Gazette of the Republic of Montenegro", No. 20/11), the Company Law ("Official Gazette of the Republic of Montenegro", No. 146/21), the Industrial Policy of Montenegro 2019-2023, The Ministry of Economic Development and Tourism prepared the Programme.

5. Form of the subsidy

Grant. The Programme implied financial support based on the principle of reimbursement (reimbursement of part of the costs).

The amount of grants that have been awarded to craftsmen under the first component Programme were 75% (+ 10% for the companies operating in less developed Municipalities) of eligible costs for value-related activities equipment, or up to EUR 10,000.00 without VAT per applicant. Additionally, the amount of the grant that can be awarded to craftsmen under the second component of the Programme was 50% (+ 10% for the companies operating in less developed Municipalities) of eligible costs, or up to EUR 6,000.00 without VAT per applicant, for participation in the international fair, while the amount was to be up to EUR 4,000.00 without VAT awarded for participation in a domestic fair.

6. To whom and how the subsidy is provided

The right to participate in the Programme had the craftsmen who are registered in accordance with the Company Law ("Official Gazette of the Republic of Montenegro", No. 146/21) in the Central Register of Companies subjects and which are entered in the Register of craftsmen at the Public Institution Chamber of Crafts, ie entrepreneurs and companies in accordance with the Law on Crafts, which is predominant activity of performing a simple or complex craft, all in accordance with the Decision on identifying trades, trades-like activities and lists of simple and complex crafts. The amount given for 2022. was EUR 145,317.31, and was awarded to 22 applicants/companies.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022. was EUR 200,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

5 PROGRAMME LINE FOR THE SUPPORT OF DIGITALIZATION

1. Title of the subsidy programme

Programme Line for the support of Digitalization.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The goal of the Programme Line for the support of Digitalization was to raise the level of business automation processes and levels of knowledge of management and operational Structures in MSMEs.

Specific Objectives:

- Increased number of MSMEs that have automated business processes;
- Increased exports of Montenegrin MSMEs thanks to digital business;
- Improved digital skills of employees in SMEs.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

The principle is that the company finances 100% of all costs until the completion of the activity for which he competes, and then after submitting the documentation proving the expenditure of funds the contracted activities, by the Ministry of Economic Development approves a refund part of the cost.

This maximum amount is if in the founding structure of the company was at least 50% female person and / or person up to 35 years of age. This aid was granted as low-value aid (*de minimis* aid) in accordance with EU Commission Regulation no. 1407/2013 of 18 Dec. 2013 years. The condition is that in the last six months until the day of publishing the Public Invitation, there were no changes in the ownership structure.

Component 1: Integration of business software Refund of part of the costs in the amount of up to 50% of the amount of eligible costs without VAT, and in maximum amount up to EUR 2,500.00 excluding VAT.

Component 2: Realization of specialized (personalized) software solutions Greater complexity. Refund of part of the costs in the amount of up to 70% of the amount of eligible costs without VAT, and in maximum amount up to EUR 20,000.00 without VAT.

Component 3: Improving the digital skills of employees Refund of part of the costs in the amount of up to 100% of the amount of eligible costs without VAT, and in maximum amount up to EUR 1,200.00 excluding VAT per company. Maximum number of employees in the company that can use support for this component is 4, while the total the permissible amount of support on this basis, per employee, can be up to EUR 300.00.

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium-sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14)

and the Law On Accounting ("Official Gazette RCG" No. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 400,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

6 PROGRAMME LINE FOR SUPPORTING OF INTERNATIONALIZATION

1. Title of the subsidy programme

Programme Line for Supporting Internationalization.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The goal of the Program line for supporting the internationalization of MSMEs is to provide support, companies for presenting products of services in international markets and strengthening business cooperation with international partners. Specific goals: Increased exports of Montenegrin SMEs in target markets; Increased number of MSMEs with increased value of export contracts on targeted markets; Increased number of MSMEs prepared for export.

Through the Program Line to support the internationalization of MSMEs, support is intended for The cost of the following activities: Component 1. Appearance at international fairs; Component 2. Company visits to fairs in order to connect with foreign partners/participation in B2B meetings; Component 3. Production of promotional material.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

The principle is that the company finances 100% of all costs until the completion of the activity for which he competes, and then after submitting the documentation proving the expenditure of funds the contracted activities, by the Ministry of Economic Development approves a refund part of the cost, and for:

Component 1. Appearance at international fairs: grant amount which can be allocated to the company for the realization of this activity is up to 50% of the amount eligible costs without VAT or in the maximum amount up to EUR 4,000.00;

Component 2. Company visits to fairs in order to connect with foreign Partners/participation in B2B meetings: the amount of grants that can be the company for the realization of this activity is up to 50% of the amount of eligible costs without VAT or in the maximum amount up to 700.00;

Component 3. Creation of promotional material: the amount of grants that This can be done by a company for up to 50% of the amount costs without VAT or in the maximum amount up to EUR 500.00.

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium-sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14) and the Law On Accounting ("Official Gazette RCG" No. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 100,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

7 PROGRAMME LINE FOR THE PURCHASE OF HIGH VALUE EQUIPMENT

1. Title of the subsidy programme

Programme Line for Acquiring High Value Equipment.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

Facilitating the provision of financial resources to invest in high-value equipment, and therefore economic entities that have not so far have been able to invest in business processes will be able to modernize, improve or, as a last resort, expand the number of products and services placed on the market. Specific objectives are: modernization of business processes; encouraging women's entrepreneurship and young entrepreneurs; strengthening the competitive position; creating new jobs.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

The program line implies that the company finances 100% of all costs to the end of the activity for which he is competing, and then after submitting the documentation that proves the expenditure of funds of the contracted activity, by the Ministry of Economic development approves the reimbursement of part of the costs in the amount of up to 40% of the amount of eligible costs without VAT, i.e. in the amount of not less than EUR 8,000.00, nor more than EUR 80,000.00 (equipment value ranges from EUR 20,000.00 to EUR 200,000.00 net value), and 50% amount of eligible costs excluding VAT, in the amount of EUR 10,000.00 to EUR 100,000.00 for companies owned by women, young people, and companies from less developed municipalities.

The condition is that in the last six months until the date of publication of the Public Call there have been no changes in the structure of ownership.

The subject of the program line is the acquisition of: new equipment (machines, appliances, specialized tools and instruments) directly related to the activity of a business company; used equipment (machinery, appliances, specialized tools and instruments), not older than 5 Years.

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium - sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14) and the Law On Accounting ("Official Gazette RCG" no. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 1,000,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

8 PROGRAMME LINE FOR THE SMALL INVESTMENT SUPPORT

1. Title of the subsidy programme

Programme Line for the Small Investment Support

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The small investment support programme aims to increase competitiveness entrepreneurs and improving their business, encouraging entrepreneurship of women and young people, as well as creating new jobs through investments in fixed assets and equipment of small value. Specific objectives: encouraging entrepreneurship; strengthening women's entrepreneurship; encouraging the establishment and start-up of your own business.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

The program line implies that the company/entrepreneur finances 100% of all costs until the end of the activity for which he is applying, and then after submitted to him documentation that proves the expenditure of the funds of the contracted activity, by the Ministry Economic development grants a refund of part of the cost in the amount of up to 50% of the amount eligible costs excluding VAT, in the minimum amount of EUR 500.00 and in the maximum amount up to EUR 6,000.00 excl. VAT.

If a company has a minimum of 50% ownership, women and/or persons up to 35 years of age, the intensity of maximum support is up to 80% of eligible costs without VAT, i.e. in the maximum up to EUR 7,500.00, for business entities that are registered and perform activities in local self-government units (LSUs) with a development index of up to 100% Intensity maximum support is up to 70% of eligible costs without VAT, i.e. in maximum amount up to EUR 7,000.00. This help is assigned to help a small values (*de minimis* aid) in accordance with EU Commission Regulation No 1306/2013 1407/2013 from 18 December 2013. The condition is that in the last six months to the date of publication there has been no change in the structure of ownership.

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium - sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14) and the Law On Accounting ("Official Gazette RCG" no. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 1,000,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

NA.

9 PROGRAMME LINE FOR PROVIDING THE MENTORING SERVICE

1. Title of the subsidy programme

Programme Line for Providing the Mentoring Service.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The goal of the Program line for providing mentoring services is free non-financial support for micro, small, medium-sized enterprises and entrepreneurs engaged in production or provision of service.

Mentoring service methodology clearly defines all steps and activities in the implementation of mentoring (scheme management, field work, number of visits, activities within each visits, time allotted for planning and reporting) through guides: A Guide to mentoring for beginners and Guide for mentoring mature enterprises.

The program line is implemented on the basis of a cooperation agreement with the Japan International Cooperation Agency (JICA) on the implementation of the project "Establishment and promotion of mentoring system for small and medium-sized enterprises in the Western Balkan and on the basis of diplomatic notes exchanged on 18 April and 9 September 2016 between the Government of Montenegro and the Government of Japan.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Development Strategy of micro, small and medium enterprises in Montenegro 2018-2022, Economic Reform Programme for the period 2022-2024, Industrial policy of Montenegro 2019-2023, Smart Specialization Strategy of Montenegro 2019-2024, National Strategy for Sustainable Development by 2030, Montenegro Women's Entrepreneurship Development Strategy 2021-2024, Strategy for lifelong entrepreneurial learning of Montenegro 2020-2024, Industrial strategy for a globally competitive, green and digital Europe.

5. Form of the subsidy

Total budget for the implementation of the Program line for providing mentoring services in 2022. year is EUR 35,000.00. Mentoring service is free for end users - micro, small, medium-sized enterprises and entrepreneurs, while mentors are paid for the provided mentoring service.

Mentoring service is free for users mentoring services - micro, small, medium companies and entrepreneurs, while mentors are paid for the provided mentoring services within the 30 days from the date of submission of the final report on the conducted mentoring activities and the evaluation form submitted by the user mentoring services.

The funds are paid on the basis of the contract on conducted mentoring services concluded between Ministry of Economic Development and Tourism as a contracting authority and mentor, as the executor of the requested services, in accordance with the signed Cooperation Agreement with the Japan Agency for International Cooperation (JICA), which outlines the rights and obligations of both during the implementation of project activities.

6. To whom and how the subsidy is provided

Entrepreneurs, micro, small and medium-sized enterprises, have the right to participate in the program line for support of digitalization medium - sized enterprises registered in accordance with the Companies Act ("Official Gazette RCG", No. 06/02), Decree on Detailed Criteria, Conditions and Manner of Granting State Aid ("Official Gazette of Montenegro", No. 27/2010, 34/2011 and 16/14) and the Law On Accounting ("Official Gazette RCG" no. 52/16), registered in the Central Register of Business Entities.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Amount budgeted for 2022 was EUR 35,000.00.

8. Duration of the subsidy

One year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

10 ANNUAL PLAN OF THE INVESTMENT AND DEVELOPMENT FUND OF MONTENEGRO1. Title of the subsidy programme

Annual Plan of the Investment and Development Fund of Montenegro JSC for 2022.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The subsidy was provided with the goal of realization of credit lines of Investment and Development Fund of Montenegro AD, intended for:

- Development of entrepreneurship, through support for special target groups (young people, beginners, women, university graduates, technological surpluses, individual agricultural producers, innovative entrepreneurship, ICT business, cluster production, etc.);
- Growth and development of micro, small, medium and medium capitalized enterprises, with special attention to:
 - ✓ investments in priority sectors of the Montenegrin economy
 - ✓ maintaining and/or improving liquidity
 - ✓ encouraging the competitiveness of Montenegrin products/services in other markets
 - ✓ diversification and digitization of the Montenegrin economy
- Support for the realization of green field and brown field investments;
- Support for infrastructure projects, projects of environmental, local and state importance and projects in the field of energy and energy efficiency;
- Balanced regional development;
- Opening of new and preservation of existing jobs;

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Investment and Development Fund of Montenegro A.D. based on the Law on Investment Development Fund of Montenegro ("Official Gazette of Montenegro", No. 88/09,40/10 and 080/17) and the IDF Annual Work Plan for 2022.

5. Form of the subsidy

The aid is granted in the form of subsidized interest rates on the loans. The aid refers to the difference between the average market interest rate for placements in the economy in accordance with the statistics of the Central Bank and the current interest rate of the IDF of Montenegro per individual placement in accordance with the loan repayment period.

6. To whom and how the subsidy is provided

Beneficiaries, based on the Plan of the Investment and Development Fund for 2022, were entrepreneurs, micro, small and medium enterprises, as well as large enterprises as defined in the Program.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The total equivalent of state aid for 2022 is EUR 1,734,638.91. The aid refers to the difference between the average market interest rate for placements in the economy in accordance with the

statistics of the Central Bank and the current interest rate of the IDF of Montenegro per individual placement in accordance with the loan repayment period. In accordance with the Decision of the Council of the Agency for Protection of Competition, Act No. 05-430/21-144/6 of 13 December 2021, by which the Annual Work Plan of the IDF was assessed as in accordance with the Law on State Aid Control.

8. Duration of the subsidy

Duration of subsidy is related to terms and conditions of specific loan.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

11 ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES

1. Title of the subsidy programme

The subsidy programme in accordance with the Energy Law for Electricity Produced from Renewable Resources.

2. Period covered by the notification

2022.

3. Policy objective and/or purpose of the subsidy

The Energy Development Strategy of Montenegro until 2030, which was adopted in 2014, has recognized the development of renewable energy sources as a strategic goal of Montenegro. The Strategy has aimed to the development of wind farms since the study of the potential of renewable sources in the territory of Montenegro had showed significant wind potential, in addition to the hydro potentials and potentials of solar energy and biomass.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

The Ministry of Capital Investments took over the powers in the field of energy, previously run by the Ministry of Economy. The Ministry of Capital Investments is the background authority for the subsidy based on the following documents: the Energy Law, the Decree on acquiring the status and accomplishing entitlements of the privileged producer electricity, the Decree about compensation for encouraging electricity generation from renewable sources and high-efficient cogeneration.

5. Form of the subsidy

The aid has been granted in the form of guaranteed price, guaranteed purchase and release of balance responsibility during the duration of the privileged producer status.

6. To whom and how the subsidy is provided

Pursuant to the legal possibilities provided for in the Law on Energy and after fulfilling all prescribed conditions the companies: "Hidroenergija Montenegro" d.o.o. Berane, "Kronor" d.o.o. Podgorica, "Synergy" d.o.o. Podgorica, "Hydro Bistrica" d.o.o. Podgorica, "Igma Energy" d.o.o. Andrijevica, "Krnovo Green Energy" d.o.o. Nikšić, "Nord Energy" d.o.o. Andrijevica, "Simes inženjering" d.o.o. Podgorica, "Viridi Progressum" d.o.o. Kolašin, "Power AB" d.o.o. Kolašin, "BB Hydro" d.o.o. Podgorica, "Đekić" d.o.o. Podgorica, "MHE Vrbnica" d.o.o. Podgorica, "Small Hydro Power Plant Kutska" d.o.o. Andrijevica, "Small Hydro Power Plant Mojanska" d.o.o. Andrijevica, "nZeta energy" d.o.o. Danilovgrad, "Benegro" d.o.o. Berane, "Vodovod i kanalizacija" d.o.o. Andrijevica, "Hidroenergija Andrijevica" d.o.o. Andrijevica, "Manira Hydro" d.o.o. Mojkovac, "Možura Wind Park" d.o.o. Podgorica, "Eco solar system" d.o.o. Podgorica, "Invicta" d.o.o. Podgorica, "Alliance" d.o.o. Podgorica, "Fudbalski savez Crne Gore" d.o.o. Podgorica and "Bar-kod" d.o.o. Podgorica have gained

the Status of a privileged producer for 12 years. In accordance with the Status of a privileged producer they have been entitled to use the aid.

After acquiring the status of a privileged producer, the companies have signed the Electricity Purchase Agreement with the Montenegrin Electricity Market Operator, guarantying purchase at a defined price for 12 years.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Montenegro has determined the selling price of electricity produced in plants during the entire period of the purchase contract.

During 2022 year selling price was:

- SHPP "Šeremet", developed by "Nord Energy" d.o.o. Andrijevica, has determined the selling price of 10,959 c€/kWh (status of a privileged producer of 12 years began from 3 August 2018);
- SHPP "Bistrica" developed by "Hydro Bistrica" d.o.o. Podgorica has determined the selling price of 8,762 c€/kWh (status of a privileged producer of 12 years began from 12 January 2018);
- SHPP "Šekular", developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 9,899 c€/kWh (status of a privileged producer of 12 years began from 12 April 2016);
- SHPP "Rmuš" developed by „Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 11,11 c€/kWh (status of a privileged producer of 12 years began from 19 May 2015);
- SHPP "Orah" developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 11,11 c€/kWh (status of a privileged producer of 12 years began from 19 May 2015);
- SHPP "Spaljevići" developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 11,11 c€/kWh (status of a privileged producer of 12 years began from 19 May 2015);
- SHPP "Jara" developed by "Kroling" d.o.o. Danilovgrad, has determined the selling price of 8,255 c€/kWh (status of a privileged producer of 12 years began from 24 November 2016);
- SHPP "Babino Polje" developed by "Kroling" d.o.o. Danilovgrad, has determined the selling price of 9,548 c€/kWh (status of a privileged producer of 12 years began from 2 November 2017);
- SHPP "Jezerštica" developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 11,034 c€/kWh (status of a privileged producer of 12 years began from 28 November 2013);
- SHPP "Jelovica 2" developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 10,702 c€/kWh (status of a privileged producer of 12 years began from 28 November 2019);
- SHPP "Bistrica" developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 8,266 c€/kWh (status of a privileged producer of 12 years began from 19 May 2015);

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- SHPP "Vrelo" developed by "Synergy" d.o.o. Podgorica, has determined the selling price of 11,11 c€/kWh (status of a privileged producer of 12 years began from 10 July 2015);
 - SHPP "Rijeka Bradavec" developed by "Igma Energy" d.o.o. Andrijevica, has determined the selling price of 11,11 c€/kWh (status of a privileged producer of 12 years began from 9 November 2015);
 - SHPP "Piševska rijeka" developed by "Igma Energy" d.o.o. Andrijevica, has determined the selling price of 10,969 c€/kWh (status of a privileged producer of 12 years began from 22 Jun 2017);
 - SHPP "Ljevak" developed by "Simes inženjering" d.o.o. Podgorica, has determined the selling price of 10,659 c€/kWh (status of a privileged producer of 12 years began from 20 February 2020);
 - SHPP "Kutska 1" developed by "Small Hydro Power Plant Kutska" d.o.o. Andrijevica, has determined the selling price of 9,583 c€/kWh (status of a privileged producer of 12 years began from 22 April 2020);
 - SHPP "Kutska 2" developed by "Small Hydro Power Plant Kutska" d.o.o. Andrijevica, has determined the selling price of 10,659 c€/kWh (status of a privileged producer of 12 years began from 22 April 2020);
 - SHPP "Mojanska 1" developed by "Small Hydro Power Plant Mojanska" d.o.o. Andrijevica, has determined the selling price of 9,501 c€/kWh (status of a privileged producer of 12 years began from 22 April 2020);
 - SHPP "Mojanska 2" developed by "Small Hydro Power Plant Mojanska" d.o.o. Andrijevica, has determined the selling price of 9,943 c€/kWh (status of a privileged producer of 12 years began from 22 April 2020);
 - SHPP "Mojanska 3" developed by "Small Hydro Power Plant Mojanska" d.o.o. Andrijevica, has determined the selling price of 10,659 c€/kWh (status of a privileged producer of 12 years began from 22 April 2020);
 - for SHPP "Bistrica" developed by "BB Hidro" d.o.o. Podgorica, has determined the selling price of 10,659 c€/kWh (status of a privileged producer of 12 years began from 24 April 2020);
 - SHPP "Bukovica" developed by "Power AB" doo, Kolašin, has determined the selling price of 10,659 c€/kWh (status of a privileged producer of 12 years began from 4 June 2020);
 - SHPP "Paljevinska" developed by "Viridi Progressum" d.o.o. Kolašin, has determined the selling price of 10,659 c€/kWh (status of a privileged producer of 12 years began from 23 July 2020);
 - SHPP "Slap Zete" developed by "Zeta Energy" d.o.o. Danilovgrad, has determined the selling price of 9,595 c€/kWh (status of a privileged producer of 12 years began from 22 September 2020);
 - SHPP "Jelovica 1" developed by "Hidroenergija Montenegro" d.o.o. Berane, has determined the selling price of 8,736 c€/kWh (status of a privileged producer of 12 years began from 27 November 2020);
 - SHPP "Pecka" developed by "Dekić" d.o.o. Podgorica, has determined the selling price of 10,691 c€/kWh (status of a privileged producer of 12 years began from 25 December 2020);
 - SHPP "Vrbnica" developed by "MHE Vrbnica" d.o.o. Podgorica, has determined the selling price of 7,457 c€/kWh (status of a privileged producer of 12 years began from 19 January 2021);

- SHPP "Elektrana Mišnjića" developed by "Manira Hydro" d.o.o. Mojkovac, has determined the selling price of 10,44 c€/kWh (status of a privileged producer of 12 years began from 10 March 2021);
- SHPP "Miolje Polje" developed by "Benegro" d.o.o. Berane, has determined the selling price of 8,352 c€/kWh (status of a privileged producer of 12 years began from 20 May 2021);
- SHPP "Krkori" developed by "Vodovod i kanalizacije" d.o.o. Andrijevica, has determined the selling price of 8,552 c€/kWh (status of a privileged producer of 12 years began from 20 May 2021);
- SHPP "Umska" developed by "Hidroenergija Andrijevica" d.o.o. Andrijevica, has determined the selling price of 10,44 c€/kWh (status of a privileged producer of 12 years began from 20 May 2021);
- SHPP "Štitska" developed by "Hidroenergija Andrijevica" d.o.o. Andrijevica, has determined the selling price of 10,44 c€/kWh (status of a privileged producer of 12 years began from 20 May 2021);
- wind power plant "Možura" developed by "Moiura Wind Park" d.o.o. Podgorica, has determined the selling price of 9,6 c€/kWh (status of a privileged producer of 12 years began from 29 December 2019);
- wind power plant "Krnovo" developed by "Krnovo Green Energy" d.o.o. Nikšić, has determined the selling price of 10,086 c€/kWh (status of a privileged producer of 12 years began from 2 November 2017);
- solar power plant "Invicta" developed by "Invicta" d.o.o. Podgorica, has determined the selling price of 12,3 c€/kWh (status of a privileged producer of 12 years began from 29 May 2019);
- solar power plant "DG" developed by "Eco solar system" d.o.o. Podgorica, has determined the selling price of 12 c€/kWh (status of a privileged producer of 12 years began from 4 August 2019);
- solar power plant "Bar-kod" developed by "Bar-kod" d.o.o. Podgorica, has determined the selling price of 12,3 c€/kWh (status of a privileged producer of 12 years began from 17 November 2019);
- solar power plant developed by "Fudbalski savez Crne Gore" d.o.o. Podgorica, has determined the selling price of 10,8 c€/kWh (status of a privileged producer of 12 years began from 7 August 2020);
- solar power plant developed by "Alliance" d.o.o. Podgorica, has determined the selling price of 10,8 c€/kWh (status of a privileged producer of 12 years began from 23 July 2020).

The amount of the incentive represents the difference between the average incentive price and the price determined by the contract concluded between the Market Operator and the Supplier in the amount of 0,012 c€/kWh for 2022 year.

8. Duration of the subsidy

The period, during which all the measures are to be implemented is 12 years, beginning on the date when the Decision on acquiring the status of a privileged producer is issued.

9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

12 GRANTS FOR INNOVATION PROJECT

1. Title of the subsidy programme

- a) Public call for innovation activities - EUR 22,170.00
- b) Public call for early phase of startup development - EUR 176,272.16
- c) Grants for innovative projects from 2018 and 2019 and Eureka projects - EUR 50,219.60
- d) Tax incentives for research and innovation/investments - EUR 2,213,502.32.

2. Period covered by the notification

May 2022 - December 2022

(Ministry of Science and Technological Development was founded in May 2022).

3. Policy objective and/or purpose of the subsidy

The need for stimulating innovation in the economy of Montenegro is recognized in the strategic documents for innovation activity. Montenegro is the first country that is not a member of the EU, and it adopted the Smart Specialization Strategy (S3) 2019-2024 and the accompanying Action Plan for the period 2019-2020. By adopting the Strategy, Montenegro initiates the transformation of its economy and increases its competitiveness by concentrating knowledge resources and linking them with a limited number of identified priorities, in which Montenegro has a comparative advantage. The Government of Montenegro also adopted the Innovation Program 2021-2024 with the aim of unifying all program lines of support for innovation and technological development, which are focused on the entire cycle of innovation development from the idea to its commercialization and market entry. The Program establishes a special line of support for the early stage of startup development. The Government of Montenegro also adopted the Operational Program for the Implementation of the Smart Specialization Strategy of Montenegro 2021-2024 with the Action Plan 2021-2022, and one of the goals of this program is to create a quality program basis that will be a lever for further work on improving the implementation of S3. The Action Plan 2021-2022 defines the Operational Goal 4.2. Stimulating the development of innovative startups, through which Activity 4.2.2. Support for the early stage of startup development is supported. This competition is aimed at supporting innovative startup projects that offer digital solutions with potential for commercialization in priority areas of S3 strategy, as well as projects that encourage social innovation in the area of S3 strategy.

- a) Public call for the co-funding of innovation activity in 2022 (worth EUR 230,000.00). The subject of the Public call is support for the development of the innovation community through co-financing of the following program lines established in the Innovation Program 2021-2024:
 - Program line of support for EUREKA projects;
 - Program line for stimulating the protection and development of inventions;
 - Program line for encouraging innovation culture;
 - Program line for the implementation of educational programs in S3 areas;
 - Program line for supporting participation in the EU Framework Program for Research and Innovation "Horizon Europe" - Pillar III Innovative Europe.
- b) The goal is to improve the startup community in Montenegro by encouraging the growth and development of existing and creating new startup enterprises. The competition supports innovative startup projects that offer solutions with potential for commercialization in the areas of S3 strategy, as well as projects that encourage social innovation in the areas of S3 strategy. Through this financial assistance, support is provided to startups to continue the development of innovative solutions with high growth potential on the market or innovative solutions that contribute to solving social challenges in priority areas of S3, despite the new situation with COVID. Also, the goal is to improve business in terms of strengthening their capacities, sustainability and competitiveness. This support aims to increase the number of startups and their quality of business, as well as to connect the Montenegrin ecosystem with the international one. The long-term effect that is wanted to be achieved is, on the one hand, increasing the growth of Montenegrin economy by investing in startup community that is based on research and development, has scalable business models and potential to enter the global market, in line with priority areas of smart specialization. On the other hand, it is expected that by

encouraging social innovation, sustainable development of Montenegrin society will be contributed, in line with priority areas of smart specialization. The public call for grants for early-stage start-ups (worth EUR 200,000.00) was conducted. In total 33 applications were submitted and, following the evaluation process successfully implemented by externally contracted independent evaluators, 10 applications were evaluated with positive scores, and the projects' implementation started in January 2023. The total value of projects is EUR 231,264.48, out of which EUR 184,464.50 (total of first instalment is 95% - EUR 176,272.16) EUR are grant funds awarded by the Ministry, while the amount of EUR 46,799.98 EUR (20.24%) is the private sector contribution (co-funding). The structure of projects per S3 priority areas is as follows: 4 ICT, 2 ICT-Fintech innovations, 3 ICT-Sustainable agriculture and food value chain, while 1 project belongs to the ICT-Energy and sustainable environment.

- c) Finishing innovation grants from 2018 and 2019 due to the COVID pandemic.
- d) The companies-investors invested the amount of EUR 1,934,000.00 in 19 start-ups by utilizing the opportunities stipulated by the Law on Incentive Measures for Research and Innovation, which means that the state approved exemptions of corporate income tax, i.e. will renounce the tax-based revenues in the said amount in the first part of 2023.

From a total of 121 subjects of innovation activity registered in the Registry of Innovation Activity, 84 are innovative companies or 32 business entities and 52 startups (70%). The Registry of Innovation Activity ("Official Gazette of Montenegro", No. 100/21) is a mechanism for recognizing actors in the national innovation system, enabling them to access innovation programs, and is one of the requirements for obtaining the status of a beneficiary of incentive measures. This means that subjects of innovation activity listed in the Registry have the opportunity to apply for all national measures supporting innovation development. Support for innovative companies by the Ministry of Science and Technological Development, as well as the Innovation Fund of Montenegro.

- 4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Science and Technological Development - Law on Incentive Measures for Research and Innovation and Law of Innovation Activities ("Official Gazette of Montenegro", No. 82/20)

- 5. Form of the subsidy

Financial support and tax exemptions.

- 6. To whom and how the subsidy is provided

Legal and physical persons.

- 7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

N/A.

- 8. Duration of the subsidy

N/A.

- 9. Statistical data permitting an assessment of the trade effects of the subsidy

N/A.

II SUPPORT FOR FISHERIES PRODUCTS

1 MODERNIZATION OF PROFESSIONAL FISHING FLEET FOR DEMERSAL RESOURCES

1. Title of the subsidy programme

Support to Improvement of Marine Fisheries and Mariculture - Modernization of Professional Fishing Fleet for Demersal Resources.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

Montenegro structural measures for improvement of the fishing fleet through achieving the next objectives:

- Modernisation of professional fishing feet for demersal resources;
- Improving the standards of safety at sea, work conditions and maintenance of hygiene and health standards.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Support for to modernization of professional fishing fleet for demersal resources concerns co-financing for professional fishers (holders of the permits for large-scale commercial fishing) the costs of reconstruction of fishing vessels, replacement of the main engine, overhaul of the main engine, improvement of hygiene and health standards on board, purchase of fishing tools and gear, purchase of safety and equipment for the fishing vessel as well as electronic devices for increasing the efficiency of fishing. The maximum contribution of budgetary funds is up to 50% of the value of the invoice submitted, maximum up to EUR 10,000.00. Specific criteria for support shall be defined by the Public Call.

6. To whom and how the subsidy is provided

Professional fishermen (holders of the permit for large-scale commercial fishing) using fishing gear - trawl net and other fishing gear for fishing demersal species.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 120,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

2 MODERNIZATION OF PROFESSIONAL FISHING FLEET FOR PELAGIC RESOURCES

1. Title of the subsidy programme

Support to Improvement of Marine Fisheries and Mariculture - Modernization of Professional Fishing Fleet for Pelagic Resources.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

Montenegro structural measures for improvement of the fishing fleet sector through achieving the next objectives:

- Modernisation of professional fishing feet for pelagic species fishing,
- Increase fishing efficiency

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Support to modernisation of professional fishing fleet for pelagic resources concerns co-financing for professional fishers (holders of the permits for large-scale commercial fishing), the costs of reconstruction of fishing vessels, replacement of the main engine, the overhaul of the main engine, purchase of a new auxiliary engine, improvement of hygiene and health standards on board, purchase of fishing tools and gear, purchase of safety equipment for the fishing vessel as well as electronic devices for increasing the efficiency of fishing. The maximum contribution of budgetary funds is up to 50% of the value of the invoice submitted, maximum up to EUR 10,000.00. Specific criteria for support shall be defined by the Public Call.

6. To whom and how the subsidy is provided

Professional fishermen (holders of the permit for large-scale commercial fishing).

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 40,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

3 MODERNIZATION OF PROFESSIONAL FISHING FLEET IN SMALL-SCALE COMMERCIAL FISHING

1. Title of the subsidy programme

Support to Improvement of Marine Fisheries and Mariculture - Modernization of Professional Fishing Fleet in Small Commercial Fishing.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

The objectives of this measure are following:

- improving the efficiency of catch and technique in small-scale commercial fishing,
- modernization of existing vessels in small-scale commercial fishing.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Support to modernisation of existing fishing vessels of 3 to 10m LOA in small-scale commercial fishing concerns co-financing in costs of engine replacement, main engine overhaul, and repair, purchase of a new auxiliary engine, purchase of a new vessel, reconstruction and adaptation of vessels, replacement of fishing tools to increase the efficiency of catch, i.e., change for more selective tools, purchase of safety equipment for fishing vessels. The maximum contribution of budgetary funds is up to 50% of the value of the invoice submitted, a maximum up to EUR 6,500.00. Specific criteria for support shall be defined by the Public Call.

6. To whom and how the subsidy is provided

Professional fishermen (holders of the permit for small-scale commercial fishing).

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 150,000.00 EUR

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

4 IMPROVEMENT OF COMPETITIVENESS AND EFFICIENCY OF MARICULTURE SECTOR

1. Title of the subsidy programme

Support to Improvement of Marine Fishery and Mariculture - Improvement of Competitiveness and Efficiency of Mariculture Sector

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- Improvement of the competitiveness and efficiency of mariculture sector,
- introduction of new technologies for the protection of farming sites against predators.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Support to competitiveness and efficiency of the mariculture sector concerns: co-financing of costs borne by fish and mollusc farmers for the reconstruction of farming sites; construction or reconstruction of facilities for storage of feed and equipment; purchase of equipment for automation of the farming process; purchase of equipment for improvement of hygiene in terms of food safety and marketing of farmed products; reconstruction or purchase of rafts for operations on the farming site; purchase of protective nets in order to protect the farming sites against predators.

The maximum share of budgetary funds is up to 50% of the approved investment, up to EUR 7,000.00. More detailed eligibility criteria and conditions will be laid down by the public call.

6. To whom and how the subsidy is provided

Business organizations and entrepreneurs holders of the mariculture permit

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 35,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

5 SUSTAINABLE MANAGEMENT AND CONSERVATION OF FISHERY RESOURCES AND OTHER MARINE ORGANISMS

1. Title of the subsidy programme

Support to Improvement of Marine Fishery and Mariculture - Sustainable Management and Conservation of Fishery Resources and Other Marine Organisms..

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- assessment of available resources of fish and other marine organisms;
- monitoring of the situation and assessment of sustainable exploitation of fish and other marine organisms;
- collection and processing of data on catch, fleet and fishing effort, biological, environmental and socio-economic data in the marine fishery;
- monitoring the population dynamics of fish, research of potential mariculture locations in the open sea, conducting research, introducing more selective fishing tools and gear to preserve and protect fish and other marine organisms and reduce costs of catching.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

The support is provided to the Marine Biology Institute for implementation of the annual programme of data collection in marine fisheries (DCF-DCRF), research regarding potential mariculture sites in the open sea and research activities.

The support is provided for the project for the design of more selective fishing gear - trawl, as well as training for fishermen for weaving such nets.

6. To whom and how the subsidy is provided

The Institute of Marine Biology from Kotor and the Project.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 150,500.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

6 MANAGEMENT OF THE FISHERIES MONITORING AND CONTROL SYSTEM (FMC)

1. Title of the subsidy programme

Support to Improvement of Marine Fishery and Mariculture - Management of the Fisheries Monitoring and Control System (FMC).

2. Period covered by the notification

2022 Year.

3. Policy objective and/or purpose of the subsidy

- functionality of the satellite monitoring system for fishing vessels (VMS);
- automatic locating of fishing vessels (ALC);
- improving electronic records on fishing activities;
- improve electronic records on sales, marketing, transport and traceability of fish and fish products;
- data analysis and statistical processing of fishery data;
- improving control and fighting all forms of illegal fishing activities in freshwater and marine fisheries;
- long-term maintenance and management of FMC

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

The support is provided to satellite and mobile operators, business organisations, entrepreneurs and other legal and natural persons that the Directorate for Fisheries hires in accordance with the Law, in order to achieve the said objectives.

6. To whom and how the subsidy is provided

Service providers for satellite and mobile communication systems, companies, entrepreneurs and other legal and natural persons hired in accordance with the Law.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

105,500.00 EUR.

8. Duration of the subsidy

2022 year.

9. Trade effects Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

7 MIDAS 2 – COMPONENT 3 MODERNISATION OF THE FISHERIES SECTOR

1. Title of the subsidy programme

Support to Improvement of the Marine Fishery and Mariculture – Midas 2 – Component 3 Modernisation of the Fisheries Sector

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- strengthening the competitiveness of fishery sector;
- development of the coastal infrastructure for berths of fishing vessels and fish landing;
- collection and processing of data on catch, fleet and fishing effort in the marine fishery;
- setting up of a traceability system in the fishery sector;
- setting up a system of electronic records in the marine fishery;
- strengthening the inspection and supervision of fishing activities;
- strengthening the competitiveness of the fishery sector through the establishment of new knowledge and new technologies;
- establishing and strengthening links between fishery, agriculture and tourism;
- improvement of cooperation between professional fishermen from Montenegro and fishermen from other coastal countries;
- strengthening the promotion and marketing of fishery products.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Rural Development.

5. Form of the subsidy

The activities under which support is provided to the beneficiaries under MIDAS 2 Component 2 are laid down by the Loan Agreement, the MIDAS 2 Operational Manual, and the World Bank procedures. Measures and criteria for the construction of fishing ports, equipping first landing sites, improving inspection and supervision of fishery activities, as well as organization of training and study tours for professional fishermen, will be defined in accordance with the World Bank rules and the MIDAS 2 Operational Manual.

6. To whom and how the subsidy is provided

Beneficiaries will be defined in line with the criteria of the Ministry of Agriculture, Forestry and Water Management.

7. Subsidy per unit, or in cases where this is not possible, the amount or the annual amount budgeted for that subsidy

Total budget 2,000,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

8 DIRECT PAYMENTS IN MARICULTURE – BIVALVE MOLLUSCS FARMING1. Title of the subsidy programme

Support to Improvement of the Marine Fishery and Mariculture - Direct Payments in Mariculture – Bivalve Molluscs Farming.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- increase the competitiveness of bivalve molluscs farming and creation of competitive farmers;
- full use of all available production capacities;
- improvement of business operations;
- increase in total mariculture production.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Eligible for support for direct payments in mariculture are business organisations and entrepreneurs holding a mariculture permit. Support is provided only for the production of bivalve molluscs (mussels and oysters). Support is received exclusively for the production of bivalve molluscs from own farming site. The amount of support is set based on the area of the farming site stated in the authorisation for mariculture and based on average production for the past two years as follows:

- EUR 0.3/m2 of reported usable area of the farming site if the average of all bivalve molluscs produced was above 2 kg/m2.
- EUR 0.2/m2 of reported usable area of the farming site if the average of all bivalve molluscs produced was between 1 and 2 kg/m2.
- EUR 0.1/m2 of reported usable area of the farming site if the average of all bivalve molluscs produced was below 1 kg/m2.

6. To whom and how the subsidy is provided

Business organisations and entrepreneurs holders of the mariculture permit.

7. Subsidy per unit, or in cases where this is not possible, the amount or the annual amount budgeted for that subsidy

Total budget 60,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Minimum effects on trade.

9 SUSTAINABLE MANAGEMENT OF FRESHWATER FISHERY

1. Title of the subsidy programme

Support to Development of Freshwater Fishery and Aquaculture Sector - Sustainable Management of Freshwater Fishery.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- development of sports fishing tourism;
- strengthening control of sports fishing activities in order to protect and develop fishery waters and fish stocks;
- reliable estimate of available fish stocks in freshwater fishery waters fishery master plan;
- support to functioning of association of commercial fishermen and users of fish and other aquatic organism;
- improving the management of freshwater resources based on available scientific data;
- participation in the costs of restocking fishery waters, in accordance with Art. 23 and 24 of the Law on Freshwater Fisheries and Aquaculture.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Support to users of fish and other aquatic organisms and to the Confederation for the organisation of sport fishing events both at the national and the international level in order to promote sport fishing tourism.

Support to the development of protection and preservation of fishery waters.

Support to a scientific institution that the Ministry authorises for the development of a fishery master plan.

Support to the Association of commercial fishermen and users of fish and other aquatic organisms.

Support to the restocking costs for users of fish and other aquatic organisms and/or managers of natural resources in accordance with Art. 23 and 24 of the Law on Freshwater Fisheries and Aquaculture. Subsequently, the funds for restocking can be allocated under another Agrobudget measure.

Support to a scientific institution authorized by the Ministry for monitoring the status of fish and other aquatic organisms as well as for cooperation with sport fishing clubs in the processes concerning the restocking, selective or fishing for population control purposes.

6. To whom and how the subsidy is provided

Association of sports fishing organisations of Montenegro, the Association of sports fishing at sea and users of fish and other aquatic organisms.

Scientific institution authorised by the Ministry.

Association of commercial fishermen and users of fish and other aquatic organisms.

User of fish and other aquatic organisms and managers of natural resources.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 100,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

10 DEVELOPMENT OF COMMERCIAL FISHING IN LAKE SKADAR

1. Title of the subsidy programme

Support to Development of Freshwater Fishery and Aquaculture Sector - Development of Commercial Fishing in Lake Skadar

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- improve the catch efficiency in commercial fishing in Skadar Lake;
- improving the standards of safety of navigation;
- improvement of hygiene and health standards.
- improvement of access waterways in the Skadar Lake.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management

5. Form of the subsidy

Support to strengthening of commercial fishing in Skadar Lake concerns co-financing of commercial fishermen (holders of a valid permit for commercial fishing issued by the NP Skadar Lake) in the cost of purchase of fishing vessel, purchase engines, purchase of fishing gear and tools to increase catch efficiency and the purchase of ice-makers. The maximum contribution of budgetary funds is up to 50% of the value of the invoices submitted, maximum up to EUR 3,000.00. Specific criteria for support shall be defined by the Public Call.

6. To whom and how the subsidy is provided

Holders of a valid commercial fishing permit for Skadar Lake.
Local Self-governances.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 50,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

11 STRENGTHENING COMPETITIVENESS AND EFFICIENCY OF THE FRESHWATER AQUACULTURE SECTOR

1. Title of the subsidy programme

Support to Development of Freshwater Fishery and Aquaculture - Strengthening Competitiveness and Efficiency of Freshwater Aquaculture Sector.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- strengthening competitiveness and efficiency of freshwater aquaculture sector;
- introduction of new technologies for protection of farming sites against predators.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Support to strengthening the competitiveness and efficiency of the freshwater aquaculture sector concerns co-financing of costs borne by fish farmers for the reconstruction of the farming sites; construction or reconstruction of facilities for storage of feed and equipment; purchase of equipment for automation of the farming process; purchase of equipment for improvement of hygiene in terms

of food safety and marketing of farmed products; purchase of protective nets or other technical solutions in order to protect the farming sites against predators. The maximum share of budgetary funds is up to 50% of the approved investment, up to EUR 7,000.00. More detailed eligibility criteria and conditions will be laid down by the public call.

6. To whom and how the subsidy is provided

Business organisations and entrepreneurs issued with the aquaculture permit.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 64,000.00 EUR.

8. Duration of the subsidy

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No effects on trade.

12 DIRECT PAYMENTS IN AQUACULTURE

1. Title of the subsidy programme

Support to Development of Freshwater Fishery and Aquaculture - Direct Payments in Aquaculture.

2. Period covered by the notification

2022 year.

3. Policy objective and/or purpose of the subsidy

- increase the competitiveness of freshwater aquaculture production and creation of competitive farmers;
- full use of all available production capacities;
- improvement of business operations;
- increase of total aquaculture production.

4. Background and authority for the subsidy (including identification of the legislation under which it is granted)

Ministry of Agriculture, Forestry and Water Management.

5. Form of the subsidy

Eligible for support for direct payments in aquaculture are business organisations and entrepreneurs holding an aquaculture permit. Support is received exclusively for production from the own farming site. The amount of support is set based on the area of the farming site stated in the authorisation for aquaculture and based on average production for the past two years as follows:

- EUR 3.0/m² of reported usable area of the farming site if the average of all fish size structures produced was above 22 kg/m².
- EUR 2.5/m² of reported usable area of the farming site if the average of all fish size structures produced was above 22 and 17 kg/m².
- EUR 2.0/m² of reported usable area of the farming site if the average of all fish size structures produced was between 17 and 12 kg/m².

- EUR 1.5/m2 of reported usable area of the farming site if the average of all fish size structures produced was between 12 and 7 kg/m2.
- EUR 1.0/m2 of reported usable area of the farming site if the average of all fish size structures produced was below 7 kg/m2.

6. To whom and how the subsidy is provided

Business organisations and entrepreneurs issued with the aquaculture permit.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Total budget 75,000.00 EUR.

8. Duration of the subsidy and/or any time limits attached to it, including date of inception/commencement

2022 year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Minimum effects on trade.
