II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 15 April 2002

conferring management of aid on implementing agencies for pre-accession measures in agriculture and rural development in the Czech Republic in the pre-accession period

(2002/298/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1266/1999 of 21 June 1999 on coordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation (EEC) No 3906/89 [1], and in particular Article 12(2) thereof,

Having regard to Commission Regulation (EC) No 2222/2000 of 7 June 2000 laying down financial rules for the application of Council Regulation (EC) No 1268/1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period [2], as amended by Regulation (EC) No 2252/2001 [3], and in particular Article 3(2) thereof,

Whereas:

(1) In accordance with Article 4(5) of Council Regulation (EC) No 1268/1999 of 21 June 1999 on Community support for pre-accession measures for agriculture and rural development in the Applicant Countries of central and eastern Europe in the pre-accession period [4], as last amended by Regulation (EC) No 2500/2001 [5], a Programme for Agriculture and Rural Development was approved by Commission Decision C(2000) 3105 final of 26 October 2000 for the Czech Republic.

(2) The Government of the Czech Republic and the Commission, acting on behalf of the European Community, has signed on 5 February 2001 the Multi-annual Financing Agreement laying down the technical, legal and administrative framework for the execution of the Sapard Programme.

(3) Regulation (EC) No 1266/1999 provides that the *ex-ante* approval requirement referred to in Article 12(1) thereof may be waived on the basis of a case-by-case analysis of national and sectorial programme/project management capacity, financial control procedures and structures regarding public finance; Regulation (EC) No 2222/2000 provides for detailed rules for the carrying out of said analysis.

(4) The competent authority of the Czech Republic has appointed the Sapard Agency for the implementation of measures 'Investments in Agricultural Holdings'; 'Improving the processing and marketing of agricultural and fishery products'; 'Improving the structures for quality controls of foodstuffs and for consumer protection'; 'Land improvement and reparcelling'; 'Renovation and development of villages and rural infrastructure'; 'development and diversification of economic activities providing for multiple activities and alternative income'; 'Technical Assistance' as defined in the Programme for Agriculture and Rural Development that was approved by Decision C(2000) 3105 final for the Czech Republic. The Ministry of Finance, National Fund has been appointed for the financial functions it is due to perform in the framework of the implementation of the Sapard programme.

(5) Pursuant to Regulation (EC) No 1266/1999 and Regulation (EC) No 2222/2000, the Commission has analysed the national and sectorial programme/project management capacity, financial control procedures and structures regarding public finance and has established that, for the implementation of the aforementioned measures, the Czech Republic complies with the provisions of Articles 4 to 6 and of the Annex to Regulation (EC) No 2222/2000, with the minimum conditions set out in the Annex to Regulation (EC) No 1266/1999.

(6) In particular, the Sapard Agency has implemented the following key accreditation criteria satisfactorily: written procedures, segregation of duties, pre-project approval and pre-payment checks, payment procedures, accounting procedures, computer security, internal audit, and, where appropriate, public procurement provisions.

(7) On 1 February 2002 the Czech authorities provided a list of eligible expenditure in conformity with Article

[1] OJ L 161, 26.6.1999, p. 68.
[2] OJ L 253, 7.10.2000, p. 5.
[3] OJ L 304, 21.11.2001, p. 8.
[4] OJ L 161, 21.6.1999, p. 87.
[5] OJ L 342, 27.12.2001, p. 1.

4(1), section B of the Multiannual Financial Agreement, this did not give rise to objections by the Commission.

(8) The Ministry of Finance, National Fund has implemented the following criteria satisfactorily for the financial functions it is due to perform in the framework of the implementation of the Sapard programme for the Czech Republic: audit trail, treasury management, receipt of funds, disbursement to beneficiaries, computer security and internal audit.

(9) It is therefore appropriate to waive the *ex-ante* approval requirement referred to in Article 12(1) of Regulation (EC) No 1266/1999 and to confer on the Sapard Agency and on the Ministry of Finance, National Fund, in the Czech Republic the management of aid on a decentralised basis.

(10) However, since the verifications carried out by the Commission are based on an operational but not operating system it is therefore appropriate to confer the management of the Sapard Programme on the Czech Republic and on the Ministry of Finance, National Fund, on a provisional basis.

(11) The full conferral of management of the Sapard Programme is only envisaged after further verifications in order to ensure that the system operates satisfactorily have been carried out and after any recommendations the Commission may issue, with regard to the conferral of management of aid on the Sapard Agency and on the Ministry of Finance, National Fund, have been implemented,

HAS DECIDED AS FOLLOWS:

Article 1

The requirement of *ex-ante* approval by the Commission of project selection and contracting by the Czech Republic is hereby waived.

Article 2

Management of the Sapard Programme is conferred on a provisional basis to:

1. the Sapard Agency of the Czech Republic, Tesnov 17, 117 05 Prague 1 for the implementation of measures 'Investments in Agricultural Holdings'; 'Improving the processing and marketing of agricultural and fishery products'; 'Improving the structures for quality controls of foodstuffs and for consumer protection'; 'Land improvement and reparcelling'; 'Renovation and development of villages and rural infrastructure'; 'Development and diversification of economic activities providing for multiple activities and alternative income'; 'Technical Assistance' as defined in the Programme for Agricultural and Rural Development that was approved by Decision C(2000) 3105 final; and
2. the Ministry of Finance, National Fund, located at Letenska 15, 118 10 Prague 1, Czech Republic, for the financial functions it is due to perform in the framework of the implementation of the Sapard programme for the Czech Republic.

Done at Brussels, 15 April 2002.

For the Commission

Franz FISCHLER

Member of the Commission