COMMISSION DECISION

of 2 July 2002

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

(2002/539/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 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) 3040 final on 18 October 2000, as amended by Commission Decision H 02/1236, adopted on 22 April 2002, for the Republic of Poland.

(2) The Government of Poland and the Commission, acting on behalf of the European Community, have signed on 25 January 2001 the Multiannual 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) of Regulation (EC) No 1266/1999 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 Republic of Poland has appointed the Agency for Restructuring and Modernisation of Agriculture to function as the Sapard Agency. It will be responsible for implementing the following measures: 'Improvement in processing and marketing of food and fishery products', 'Investments in agriculture holdings', 'Development of rural infrastructure', 'Vocational training' and 'Technical assistance' as defined in the Programme for Agriculture and Rural Development that was approved by Decision C(2000) 3040 final for the Republic of Poland; whereas the National Fund (within the Ministry of Finance) has been established 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 Republic of Poland complies with the provisions of Articles 4 to 6 and of the Annex to Regulation (EC) No 2222/2000, and with the minimum conditions set out in the Annex to Regulation (EC) No 1266/1999.

(6) In particular, the Agency for Restructuring and Modernisation of Agriculture 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 15 February 2002 the Polish authorities provided the revised list of eligible expenditure in conformity with Article 4(1), Section B of the Multiannual Financing Agreement, and this did not give rise to objections by the Commission.

(8) The 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 Poland: audit trail, treasury management, receipt of funds, disbursements to the Sapard Agency, 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 Agency for Restructuring and Modernisation of Agriculture, and on the National Fund, the management of aid on a decentralised basis.

[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, 26.6.1999, p. 87.
[5] OJ L 342, 27.12.2001, p. 1.

(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 Agency for Restructuring and Modernisation of Agriculture, and on the National Fund, on a provisional basis.

(11) 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 Agency for Restructuring and Modernisation of Agriculture, and on the 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 Poland is hereby waived.

Article 2

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

1. the Agency for Restructuring and Modernisation of Agriculture in its role as Sapard Agency of the Republic of Poland, located at Al. Jana Pawła II nr 70, PL — 00 175 Warsaw, for the implementation of measures 'Improvement in processing and marketing of food and fishery products', 'Investments in agriculture holdings', 'Development of rural infrastructure', 'Vocational training' and 'Technical assistance' as defined in the Programme for Agriculture and Rural Development that was approved by Decision C(2000) 3040 final; and

2. the National Fund within the Ministry of Finance of the Republic of Poland, located at ul. Świętokrzyska 12, PL — 00 916 Warsaw, for the financial functions it is due to perform in the framework of the implementation of the Sapard programme for Poland.

Done at Brussels, 2 July 2002.

For the Commission

Franz FISCHLER

Member of the Commission