II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 14 November 2003

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

(2003/802/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 preaccession strategy and amending Regulation (EEC) No 3906/89 [1], and in particular Article 12(2) thereof,

Having regard to the Council Regulation (EC) No 1268/1999 of 21 June 1999 on Community support for preaccession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the preaccession period [2], as last amended by Regulation (EC) No 696/2003 [3], and in particular Article 4(5) and (6) thereof,

Whereas:

(1) The special accession programme for agriculture and rural development for the Republic of Poland (hereinafter 'Sapard') was approved by Commission Decision of 18 October 2000 [4], and as last amended by Commission Decision of 1 August 2003 in accordance with Article 4(5) of Regulation (EC) No 1268/1999.

(2) The government of Poland and the Commission, acting on behalf of the European Community, signed on 25 January 2001 the Multiannual Financing Agreement laying down the technical, legal and administrative framework for the execution of the Sapard programme, as last amended by the Annual Financing Agreement for 2003, signed on 4 June 2003 which finally entered into force on 10 June 2003.

(3) A Sapard agency has been appointed by the competent authority of the Republic of Poland for the implementation of some of the measures defined in the Sapard. 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.

(4) On the basis of a case-by-case analysis of the national and sectorial programme/project management capacity, financial control procedures and structures regarding public finance, as provided for in Article 12(2) of Regulation (EC) No 1266/1999, the Commission adopted Decision 2002/539/EC of 2 July 2002 conferring management of aid on implementing agencies for preaccession measures in agriculture and rural development in the Republic of Poland in the preaccession period [5] with regard to certain measures provided for in the Sapard.

(5) The Commission has since undertaken a further analysis under Article 12(2) of Regulation (EC) No 1266/1999 in respect of Measure 4 'Diversification of economic activities in rural areas' (hereinafter 'Measure 4') as provided for in the Sapard. The Commission considers that, also with regard to that measure, the Republic of Poland complies with the provisions of Articles 4 to 6 and of the Annex to Commission Regulation (EC) No 2222/2000 of 7 June 2000 laying down financial rules for the

[1] OJ L 161, 26.6.1999, p. 68.
[2] OJ L 161, 26.6.1999, p. 87.
[3] OJ L 99, 17.4.2003, p. 24.
[4] C(2000) 3040.
[5] OJ L 173, 3.7.2002, p. 41.

application of Council Regulation (EC) No 1268/1999 on Community support for preaccession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the preaccession period [1], as last amended by Regulation (EC) No 188/2003 [2], and with the minimum conditions set out in the Annex to Regulation (EC) No 1266/1999.

(6) It is therefore appropriate to waive the *ex ante* approval requirement provided for in Article 12(1) of Regulation (EC) No 1266/1999 and to confer, with regard to Measure 4, on the Agency for Restructuring and Modernisation of Agriculture, and on the National Fund in the Republic of Poland, the management of aid on a decentralised basis.

(7) Since the verifications carried out by the Commission for Measure 4 are based on a system that is not yet fully operating with regard to all relevant elements, however, it is appropriate to confer the management of the Sapard on the Agency for Restructuring and Modernisation of Agriculture, and on the National Fund, according to Article 3(2) of Regulation (EC) No 2222/2000, on a provisional basis.

(8) Full conferral of management of the Sapard is only envisaged after further verifications to ensure that the system operates satisfactorily have been carried out and after any recommendations which 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.

(9) On 27 October 2003 the Polish Authorities proposed the rules for eligibility of expenditure in accordance with Article 4(1) of Section B of the Multiannual Financing Agreement. The Commission is called upon to take a decision in this respect,

HAS DECIDED AS FOLLOWS:

Article 1

The requirement of *ex ante* approval by the Commission of project selection and contracting for Measure 4 by the Republic of Poland provided for in Article 12(1) of Regulation (EC) No 1266/1999 is hereby waived.

Article 2

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

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 Measure 4 of the Sapard as defined in the programme for agricultural and rural development that was approved by the abovementioned Commission Decision; 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 for Measure 4 for the Republic of Poland.

Article 3

Without prejudice to any decision granting aid under the Sapard to individual beneficiaries, the rules for eligibility of expenditures concerning Measure 4 as proposed by the Republic of Poland in the operational manual sent to the Commission on 27 October 2003 and registered in the Commission under number AGR A/36434 shall apply.

Done at Brussels, 14 November 2003.

For the Commission

Franz FISCHLER

Member of the Commission

[1] OJ L 253, 7.10.2000, p. 5.
[2] OJ L 27, 1.2.2003, p. 14.