COMMISSION DECISION

of 5 December 2003

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

(2003/846/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 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 [2], and in particular Article 4(5) and (6) thereof,

Whereas:

(1) The special programme for agriculture and rural development for Romania (hereinafter Sapard) was approved by Commission decision of 12 December 2000 [3], as last amended by Commission decision of 1 August 2003, in accordance with Article 4(5) and (6) of Regulation (EC) No 1268/1999.

(2) The Government of Romania and the Commission, acting on behalf of the European Community, signed on 2 February 2001 the Multiannual Financing Agreement laying down the technical, legal and administrative framework for the execution of Sapard, as last amended by the Annual Financing Agreement for 2002, signed on 1 April 2003, which finally entered into force on 12 May 2003.

(3) The Sapard Agency, a public institution with legal status, under the responsibility of the Ministry of Agriculture, Forests, Waters and Environment, has been appointed by the competent authority of Romania for the implementation of some of the measures defined in Sapard. The National Fund Department within the Ministry of Public Finance has been appointed for the financial functions it is due to perform in the framework of the implementation of 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 2002/638/EC of 31 July 2002 conferring management of aid on implementing agencies for pre-accession measures in agriculture and rural development in Romania in the pre-accession period [4] with regard to certain measures provided for in Sapard.

(5) The Commission has undertaken a further analysis pursuant to Article 12(2) of Regulation (EC) No 1266/1999 in respect of measure 3.1 'Investment in agricultural holdings', measure 3.4 'Development and diversification of economic activities, multiple activities, alternative income' and measure 4.1 'Improving of vocational training' as provided for in Sapard. The Commission considers that, also with regard to those measures, Romania 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 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 [5], 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 referred to in Article 12(1) of Regulation (EC) No 1266/1999 and to confer, with regard to measures 3.1, 3.4 and 4.1, on the Sapard Agency and on the Ministry of Public Finance, National Fund, in Romania the management of aid on a decentralised basis.

(7) However, since the verifications carried out by the Commission for measures 3.1, 3.4 and 4.1 are based on a system that is not yet fully operating with regard to all relevant elements, it is therefore appropriate to confer the management of the Sapard programme on the Sapard Agency and on the Ministry of Public Finance, National Fund, according to Article 3(2) of Regulation (EC) No 2222/2000, on a provisional basis.

[1] OJ L 161, 26.6.1999, p. 68.
[2] OJ L 161, 26.6.1999, p. 87. Regulation as last amended by Regulation (EC) No 696/2003 (OJ L 99, 17.4.2003, p. 24).
[3] C(2000) 3742 final.
[4] OJ L 206, 3.8.2002, p. 31.
[5] OJ L 253, 7.10.2000, p. 5. Regulation as last amended by Regulation (EC) No 188/2003 (OJ L 27, 1.2.2003, p. 14).

(8) Full conferral of management of the Sapard is only envisaged after further verifications have been carried out in order to ensure that the system operates satisfactorily, and after any recommendations the Commission may issue with regard to the conferral of management of aid on the Sapard Agency, under the responsibility of the Ministry of Agriculture, Forests, Waters and Environment and on the Ministry of Public Finance, National Fund, have been implemented.

(9) On 22 July 2003 the Romanian authorities proposed the rules for eligibility of expenditure in accordance with Article 4(1) of Section B of the Multiannual Financing Agreement. This list was partially modified by letter dated 22 September 2003. 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 measures 3.1, 3.4 and 4.1 by Romania provided for in Article 12(1) of Regulation (EC) No 1266/1999 is hereby waived.

Article 2

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

1. The Sapard Agency under the Ministry of Agriculture, Forests, Waters and Environment of Romania, Negustori Street 1 B, Sector 2, Bucharest, for the implementation of measure 3.1 'Investment in agricultural holdings', measure 3.4 'Development and diversification of economic activities, multiple activities, alternative income' and measure 4.1 'Improving of vocational training' as defined in the programme for agriculture and rural development that was approved by Commission Decision C(2000) 3742 final on 12 December 2000, as last amended by the Commission decision adopted on 1 August 2003.

2. The National Fund within the Ministry of Public Finance, Apolodor Street 17, Sector 5, RO 70663 Bucharest, for the financial functions it is due to perform in the framework of the implementation of the Sapard programme for measures 3.1, 3.4 and 4.1 for Romania.

Article 3

Expenditure pursuant to this Decision shall be eligible for Community co-financing only if incurred by beneficiaries from the date of this Decision, or, if later, the date of the instrument making them a beneficiary for the project in question, except for feasibility and related studies, where this date shall be 12 December 2000, provided in all cases it has not been paid by the Sapard Agency prior to the date of this Decision.

Article 4

Without prejudice to any decisions granting aid under Sapard to individual beneficiaries, the rules for eligibility of expenditure proposed by Romania by letter No 1015 of 22 July 2003 and, registered in the Commission under No 19976, as modified by letter No 11012 of 22 September 2003 and registered in the Commission under No 26843, shall apply.

Done at Brussels, 5 December 2003.

For the Commission

Franz FISCHLER

Member of the Commission