

## COMMISSION DECISION

of 29 September 2006

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

(2006/657/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

signed on 12 February 2001, 19 February 2002, 4 April 2003, 23 July 2003, 14 April 2005 and 11 January 2006 respectively.

Having regard to the Treaty establishing the European Community,

Having regard to the Council Regulation (EC) No 1266/1999 of 21 June 1999 on co-ordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation (EEC) No 3906/1989 <sup>(1)</sup>, 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 pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period <sup>(2)</sup>, and in particular Article 4(5) and (6) thereof,

Whereas:

(1) The Special Accession Programme for Agriculture and Rural Development for the Republic of Bulgaria (hereinafter 'Sapard') was approved by Commission Decision of 20 October 2000 <sup>(3)</sup>, and amended by Commission Decision of 5 July 2006 in accordance with Article 4(5) of Regulation (EC) No 1268/1999.

(2) The government of the Republic of Bulgaria and the Commission, acting on behalf of the Community, signed on 18 December 2000 the Multiannual Financing Agreement laying down the technical, legal and administrative framework for the execution of the Sapard, amended by the Annual Financing Agreements for the years 2000, 2001, 2002, 2003, 2004 and 2005,

(3) A Sapard-Agency has been appointed by the competent authority of the Republic of Bulgaria for the implementation of some of the measures defined in the Sapard. The Ministry of Finance, National Fund Directorate, 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 the Decision 2001/380/EC of 14 May 2001 <sup>(4)</sup> and the Decision 2003/614/EC of 14 August 2003 <sup>(5)</sup> conferring management of aid on implementing agencies for pre-accession measures in agriculture and rural development in the Republic of Bulgaria in the pre-accession period 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 1.3 'Development of environmentally friendly agricultural practices and activities', as provided for in the Sapard. The Commission considers that, also with regard to this measure, the Republic of Bulgaria 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 <sup>(6)</sup> and with the minimum conditions set out in the Annex to Regulation (EC) No 1266/1999.

<sup>(1)</sup> OJ L 161, 26.6.1999, p. 68.

<sup>(2)</sup> OJ L 161, 26.6.1999, p. 87. Regulation as last amended by Regulation (EC) No 2112/2005 (OJ L 344, 27.12.2005, p. 23).

<sup>(3)</sup> C(2000) 3058 final.

<sup>(4)</sup> OJ L 102, 18.4.2002, p. 32.

<sup>(5)</sup> OJ L 213, 23.8.2003, p. 10.

<sup>(6)</sup> OJ L 253, 7.10.2000, p. 5. Regulation as last amended by Regulation 1052/2006 (OJ L 189, 12.7.2006, p. 3).

- (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 1.3. on the State Fund Agriculture and on the Ministry of Finance, National Fund Directorate in the Republic of Bulgaria, the management of aid on a decentralised basis.
- (7) Since the verifications carried out by the Commission for measure 1.3. 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 State Fund Agriculture and on the Ministry of Finance, National Fund Directorate, according to Article 3(2) of Regulation (EC) No 2222/2000, on a provisional basis.
- (8) The rules for the eligibility of expenditures are provided for in the Sapard.
- (9) 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 State Fund Agriculture and on the Ministry of Finance, National Fund Directorate, have been implemented,

HAS DECIDED AS FOLLOWS:

*Article 1*

The requirement of *ex ante* approval by the Commission of project selection and contracting for measure 1.3 'Development

of environmentally friendly agricultural practices and activities' by the Republic of Bulgaria 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 State Fund Agriculture (Sapard Agency) located at 136 Tzar Boris III Boulevard, 1618 Sofia, Bulgaria, for the implementation of the measure 1.3 of the Sapard as defined in the Programme for Agricultural and Rural Development that was approved by Commission Decision of 20 October 2000; and
2. the Ministry of Finance, National Fund Directorate, located at 102 Rakovski Street, 1040 Sofia, Bulgaria, for the financial functions it is due to perform in the framework of the implementation of the Sapard for measure 1.3 for the Republic of Bulgaria.

*Article 3*

Without prejudice to any decisions granting aid under the Sapard to individual beneficiaries, the rules for eligibility of expenditure, as specified in the Sapard, shall apply.

Done at Brussels, 29 September 2006.

*For the Commission*

Mariann FISCHER BOEL

*Member of the Commission*