

Ministry of Agriculture, Fisheries and Rural Development
(MAFRD)
Directorate for Market and Structural Support in Agriculture
(DMSSA)

ESTABLISHMENT OF SAPARD/IPARD AGENCY IN CROATIA

Anica Lucević, director

4-5 September 2008, Bar

LEGAL FRAMEWORK OF DMSSA

- ❖ AGRICULTURE ACT (OG 66/01; 83/02)
- ❖ ACT ON STATE SUPPORT TO AGRICULTURE, FISHERY AND FORESTRY (OG 87/02; 117/03; 82/04; 12/05; 85/06; 141/06; 134/07; 85/08)
- ❖ DECREE ON INTERNAL ORGANISATION OF THE MAFRD (OG 35/08)
- ✓ *Defines all affairs/tasks DMSSA*

Basis for implementation of the SAPARD programme in the Republic of Croatia 1

- 21 February 2003 - application of RoC for membership of the EU
- 20 April 2004 - a positive opinion of the EC on the application of RoC for membership of the EU
- 20 April 2004 - Council decision on the principles, priorities and conditions contained in the European partnership with Croatia

Basis for implementation of the SAPARD programme in the Republic of Croatia 2

- 13 September 2004 - European partnership – Commission Regulation determined short-term and medium-term priorities for agriculture, fishery etc.
- 29. September - 02 October 2004 - DG Agri presented in Zagreb the possibility for programmes implementation (PHARE; ISPA and SAPARD) and steps to be taken by the RoC

Basis for implementation of the SAPARD programme in the Republic of Croatia 3

- September - October 2004 - the EC suggested deadlines for drafting of the SAPARD plan and for establishment of SAPARD Agency
- October 2004 - RoC Government adopted Action plan for using the pre-accession EU funds
- May 2005 - Memorandum of understanding between EU and RoC was signed

Basis for implementation of the SAPARD programme in the Republic of Croatia 4

- November 2004 - MAFRD appointed a Commission for preparation of the RDP within SAPARD programme
- December 2004 - MAFRD appointed Commission for establishment of SAPARD Agency
- February 2005 - RoC Government set out the Ordinance on internal organization of MAFRD for establishment of SAPARD Agency within DMSSA

SAPARD Plan and MAFA

SAPARD Plan

- July 2005 - submission of the first Draft of the SAPARD programme to DG AGRI
- December 2005 - agreement on the final Draft of the SAPARD Plan

Multi-annual Financing Agreement (MAFA)

- June – July 2005 - the first draft of MAFA
- December 2005 - the final draft of MAFA accepted, signed in January 2006
- January – February 2006 ratification of MAFA in the Croatian Parliament

Implementation and payment tasks of the SAPARD Agency related to MAFA 1

- call for applications and publicising terms and conditions for eligibility,
- project selection
- checking of applications for approval of projects against terms and eligibility conditions, and compliance with this Agreement

Implementation and payment tasks of the SAPARD Agency related to MAFA 2

- laying down contractual obligations in writing between the Agency and beneficiaries
- execution of on-the-spot checks to establish eligibility both prior to and following project approval,
- follow-up action to ensure progress of projects being implemented,

Implementation and payment tasks of the SAPARD Agency related to MAFA 3

- reporting of progress of measures being implemented against indicators,
- ensuring that the beneficiary is made aware of the Community contribution to the project.
- checking of payment claims,
- execution of on-the-spot checks to establish eligibility for payment,

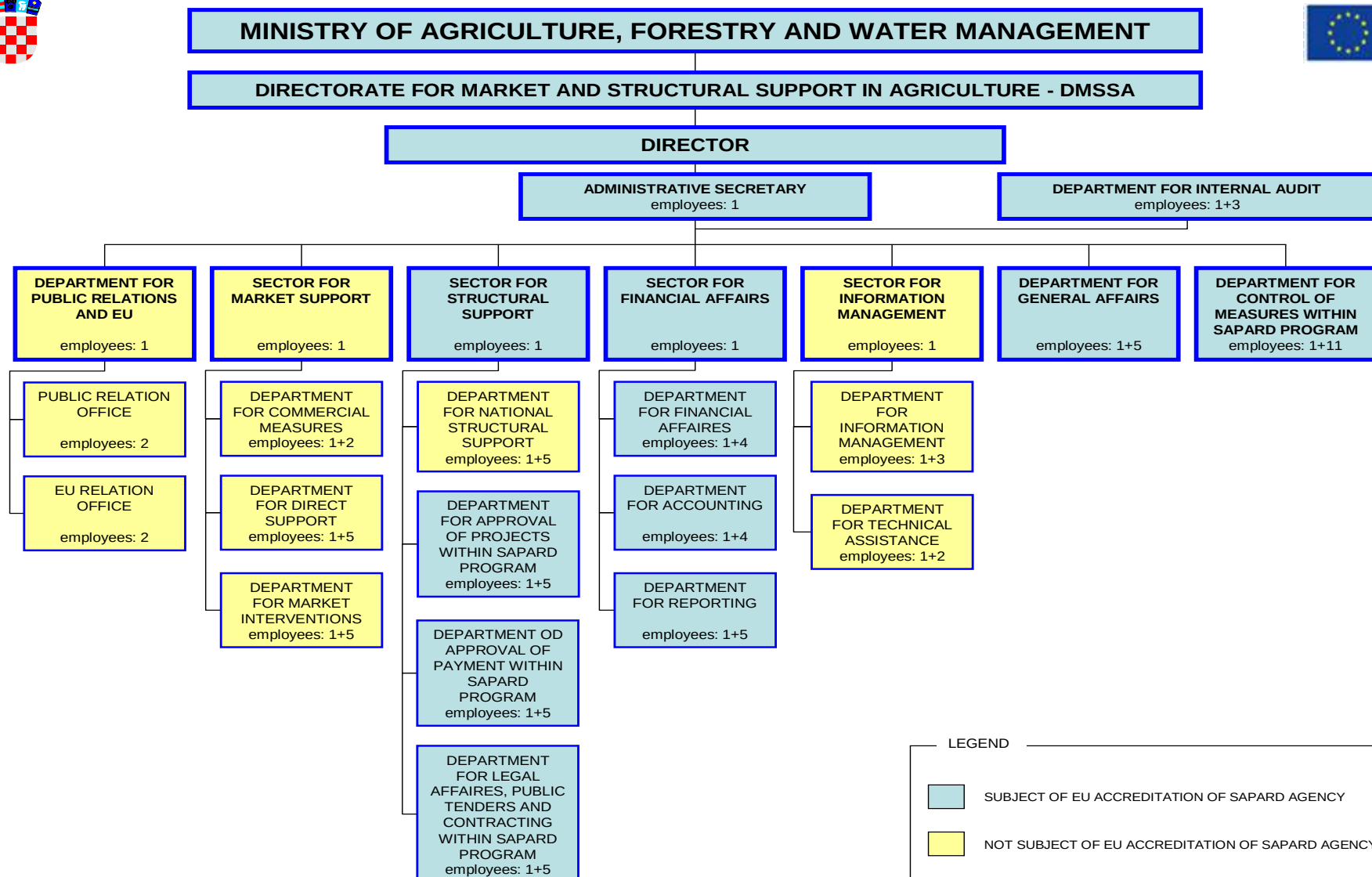
Implementation and payment tasks of the SAPARD Agency related to MAFA 4

- authorisation of payment,
- execution of payment,
- accounting of commitments and payments,
- controls on beneficiaries after payment of aid to establish whether the terms and eligibility conditions of the grants continue to be respected.

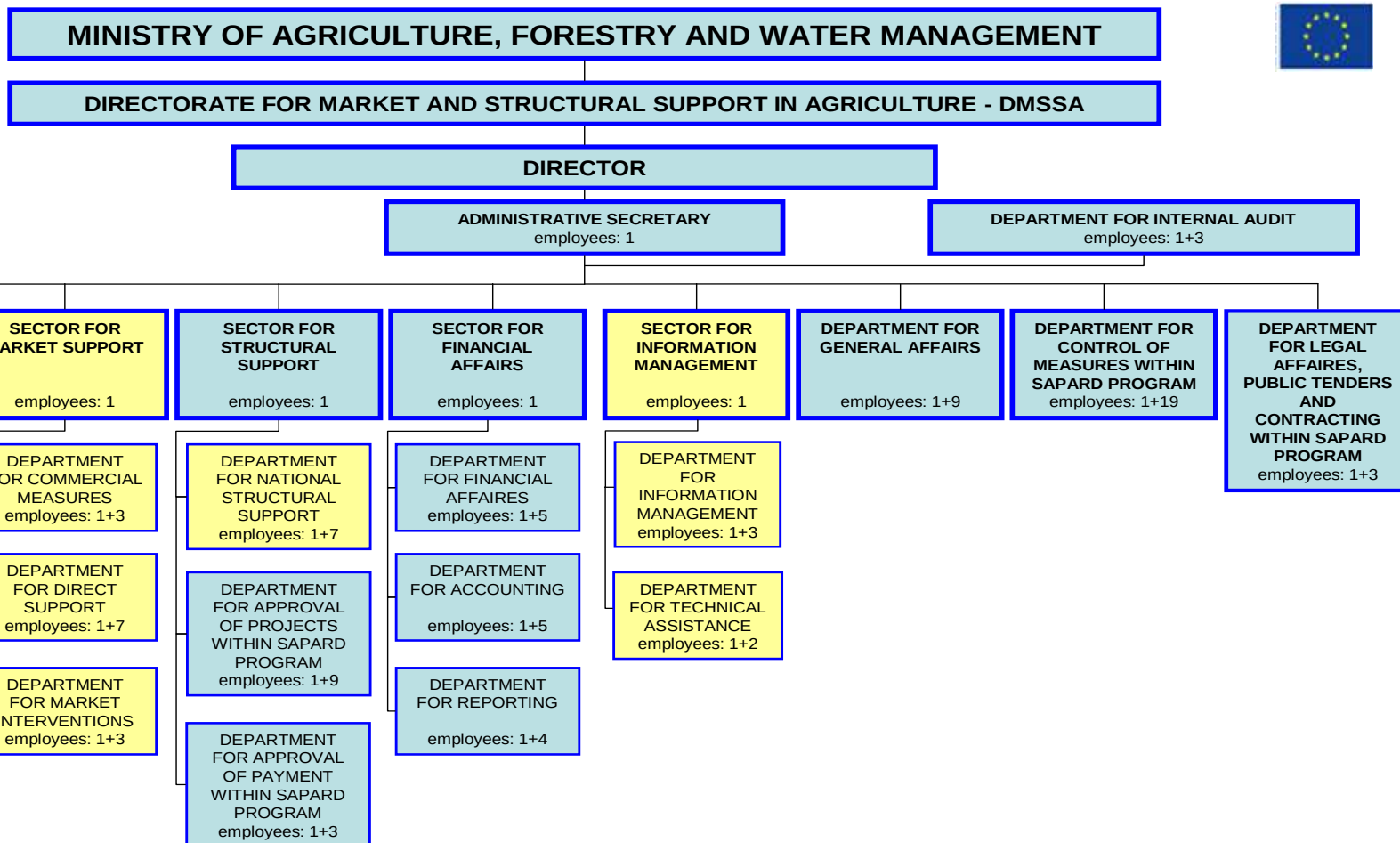
Implementation and payment tasks of the SAPARD Agency related to MAFA 5

- The project approval, on-the-spot controls and payment processes must be based on an appropriate segregation of duties,
- 4 eys kontrol principal

Body for implementation of SAPARD programme 1



Body for implementation of SAPARD programme 2



LEGEND

- SUBJECT OF EU ACCREDITATION OF SAPARD AGENCY
- NOT SUBJECT OF EU ACCREDITATION OF SAPARD AGENCY

Body for implementation of SAPARD/IPARD programme 3



Document : I-ORG-1



MINISTRY OF AGRICULTURE, FISHERIES AND RURAL DEVELOPMENT



DIRECTORATE FOR MARKET AND STRUCTURAL SUPPORT IN AGRICULTURE - DMSSA

DIRECTOR
employee: 1

ADMINISTRATIVE SECRETARY
employee: 1

INTERNAL AUDIT SERVICE
employees: 1+7

INTERNAL AUDIT DEPARTMENT FOR EU FUNDS
employees: 1+4

INTERNAL AUDIT DEPARTMENT FOR NATIONAL AGRICULTURAL POLICY MEASURES
employees: 1+1

SECTOR FOR INFORMATION, EU RELATIONS AND PROCEDURES AND DOCUMENTATION MANAGEMENT
employees: 1+18

SECTOR FOR MARKET SUPPORT
employees: 1+13

SECTOR FOR DIRECT SUPPORT
employees: 1+17

SECTOR FOR STRUCTURAL SUPPORT
employees: 1+38

FINANCIAL SECTOR
employees: 1+29

SECTOR FOR INFORMATION MANAGEMENT
employees: 1+13

SECTOR FOR GENERAL AND LEGAL AFFAIRS, PUBLIC PROCUREMENT AND CONTRACTING IN SAPARD/IPARD PROGRAMME
employees: 1+27

CONTROL SECTOR
employees: 1+21

RISK ASSESSMENT AND MANAGEMENT DEPARTMENT
employees: 1+3

REGISTERS DEPARTMENT
employees: 1+11

INFORMATION DEPARTMENT
employees: 1+4

COMMERCIAL MEASURES DEPARTMENT
employees: 1+6

ADMINISTRATIVE CONTROL DEPARTMENT
employees: 1+8

NATIONAL STRUCTURAL SUPPORT DEPARTMENT
employees: 1+11

FINANCIAL AFFAIRS DEPARTMENT
employees: 1+9

INFORMATION MANAGEMENT DEPARTMENT
employees: 1+3

DEPARTMENT FOR PLANNING, EDUCATION, DEVELOPMENT AND HUMAN RESOURCES MANAGEMENT
employees: 1+5

CONTROL DEPARTMENT FOR MEASURES WITHIN SAPARD/IPARD PROGRAMME
employees: 1+16

SECTION FOR THE REGISTER OF AGRICULTURAL HOLDINGS
employees: 1+3

EU RELATIONS DEPARTMENT
employees: 1+3

MARKET INTERVENTIONS DEPARTMENT
employees: 1+5

APPLICATIONS APPROVAL DEPARTMENT
employees: 1+7

SECTION FOR CAPITAL SUPPORT
employees: 1+6

ACCOUNTING DEPARTMENT
employees: 1+9

TECHNICAL ASSISTANCE DEPARTMENT
employees: 1+4

PUBLIC PROCUREMENT DEPARTMENT IN SAPARD AND IPARD PROGRAMME
employees: 1+6

CONTROL DEPARTMENT FOR COMMON AGRICULTURAL POLICY MEASURES
employees: 1+3

SECTION FOR LAND PARCELS IDENTIFICATION SYSTEM (LPIS)
employees: 1+4

PROCEDURES AND DOCUMENTATION MANAGEMENT DEPARTMENT
employees: 1+8

SECTION FOR COORDINATION OF PROCEDURES AND DOCUMENTATION PREPARATION
employees: 1+4

SECTION FOR PROCEDURES AND DOCUMENTATION MANAGEMENT
employees: 1+2

SECTION FOR INCOME SUPPORT, INSURANCE AND CREDIT FINANCING
employees: 1+3

REPORTING DEPARTMENT
employees: 1+8

SECURITY DEPARTMENT
employees: 1+3

LEGAL AFFAIRS DEPARTMENT IN SAPARD AND IPARD PROGRAMME
employees: 1+3

ADMINISTRATIVE LEGAL PROCEDURES DEPARTMENT
employees: 1+3

SUPPORTING SERVICES DEPARTMENT
employees: 1+5

SECTION FOR EXTERNAL REGISTERS
employees: 1+1

SECTION FOR IMPLEMENTATION OF SAPARD PROGRAMME MEASURES AND PRIORITY 2 OF THE IPARD PROGRAMME
employees: 1+4

SECTION FOR IMPLEMENTATION OF SAPARD PROGRAMME MEASURES AND PRIORITY 1 AND 3 OF THE IPARD PROGRAMME
employees: 1+9

PAYMENT APPROVAL DEPARTMENT IN SAPARD/IPARD PROGRAMME
employees: 1+9

LEGEND

	SUBJECT OF EU ACCREDITATION OF SAPARD/IPARD AGENCY
	NOT SUBJECT OF EU ACCREDITATION OF SAPARD/IPARD AGENCY

The structure was improved

- Department for procedures and documentation management
- Department for risk assessment and management

SAPARD/IPARD accredited employees

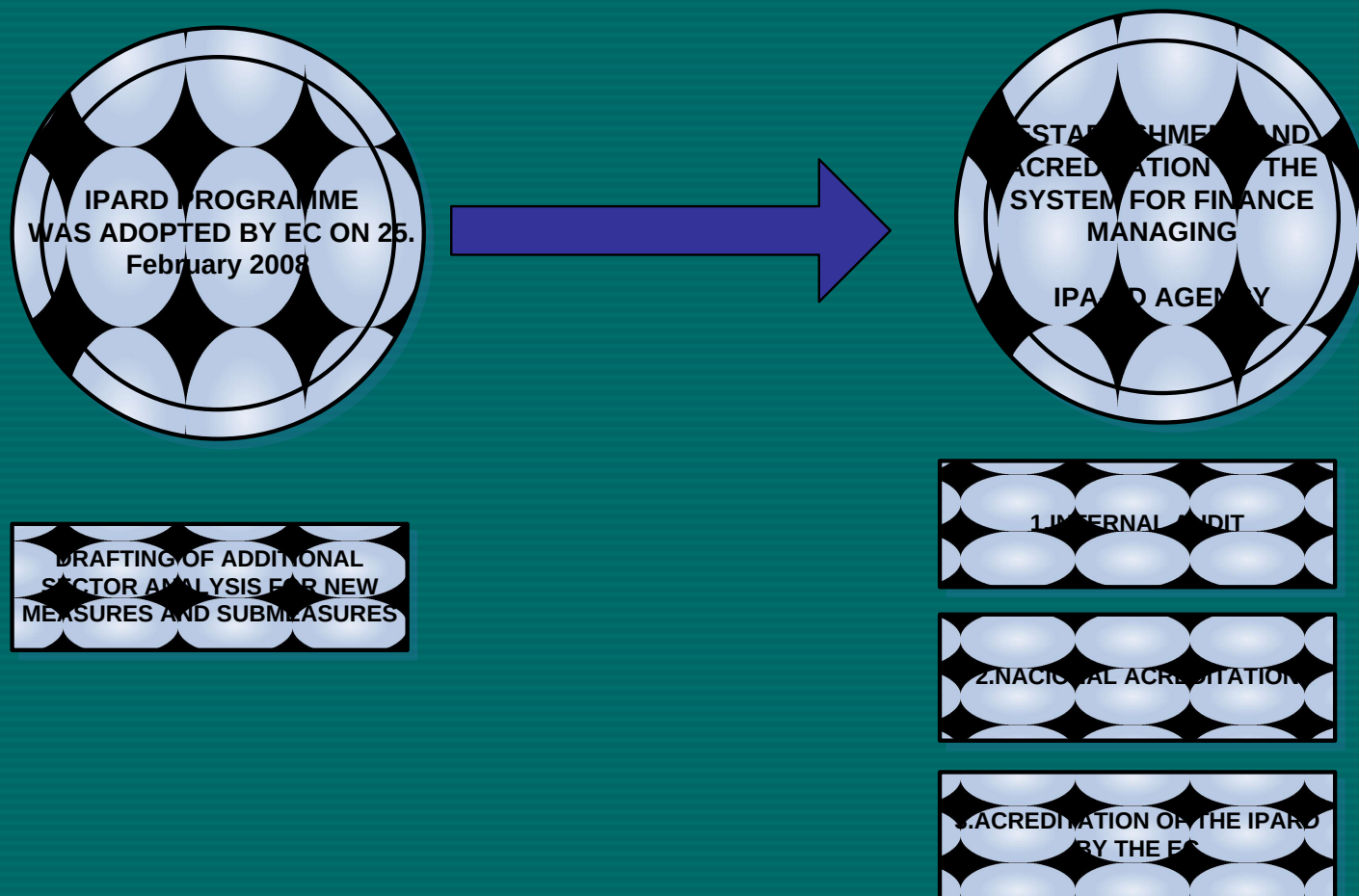
SECTOR/DEPARTMENT	CURRENTLY EMPLOYED	PLANNED WITH NEW ORDINANCE
Director	1	1
Administrative secretary-leader	1	1
Internal audit service	1+5	1+7
Sector for information, EU relations and procedures and documentation management	1+2 1 is not subject of EU accreditation	1+19
Sector for structural support	1+14	1+38
Sector for financial affairs	1+14	1+29
Sector for information management	not subject of EU accreditation	1+13
Sector for general and legal affairs, public procurement and contracting in SAPARD/IPARD programme ¹	1+9 1+3 is not subject of EU accreditation	1+27
Control sector	1+16	1+21
Department for risk assessment and management	1	1+3

¹ According to the old Decree there was Department for General Affairs(1+9) and the Department for Legal Affairs, JN and Contracting(1+3)

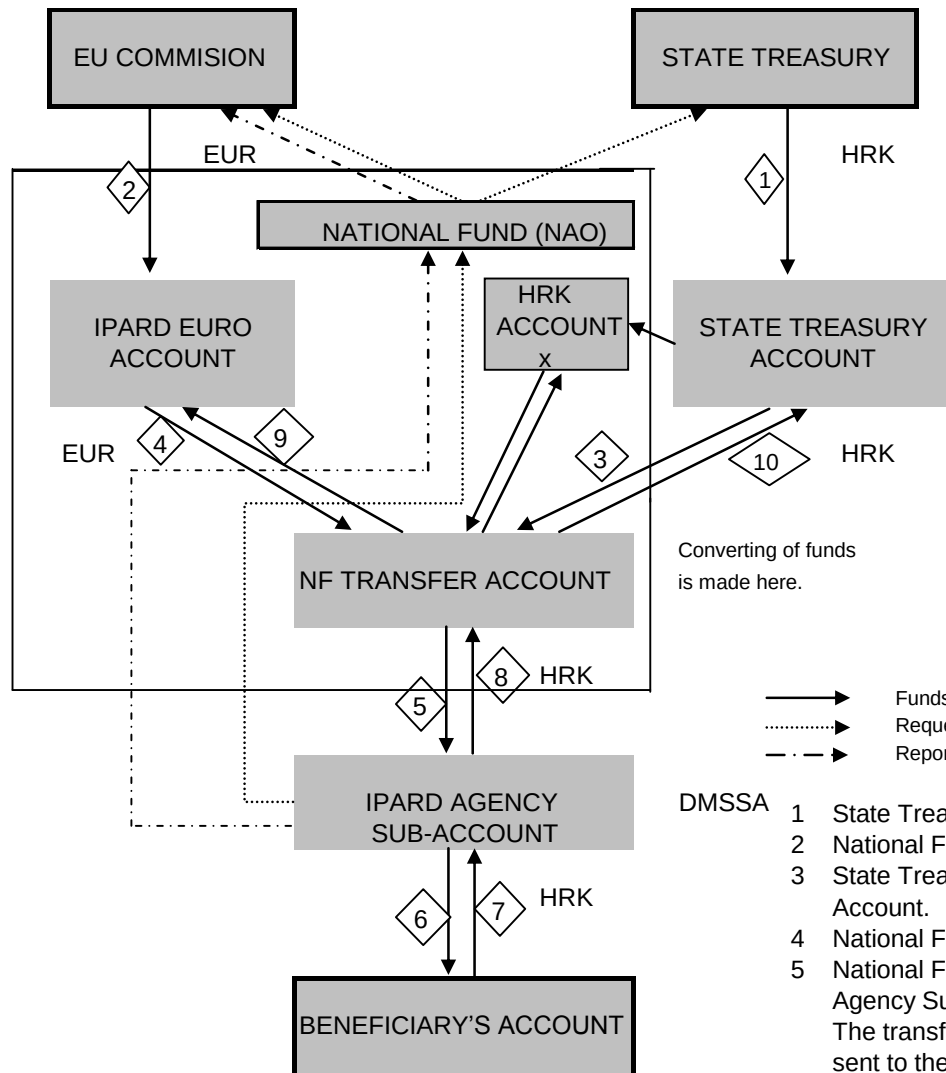
DMSSA employees

- 121 employees at the moment
- 212 employees - according to new Decree on internal organisation of the MAFRD (OG 35/08) from April
- vacancies announcement for 30 new employees was published on 08 August

Implementation of IPARD programme



Cash flow proces



DMSSA

- 1 State Treasury allocates funds for IPARD cofinancing (in HRK).
 - 2 National Fund receives funds from the European Commission (in EUR).
 - 3 State Treasury transfers funds to the IPARD Transfer Account from the State Treasury Account.
 - 4 National Fund transfers funds to the NF Transfer Account from the IPARD Euro Account.
 - 5 National Fund transfers funds after converting, from NF Transfer Account to the IPARD Agency Sub-Account.
- The transfers (point 3, 4, 5) are based on the request for funds from DMSSA, which is sent to the NF.
- 6 DMSSA makes payments to final beneficiaries.
 - 7 All irregularities must be paid back to IPARD Agency Sub-account.
 - 8 In the same day all irregularities must be return from IPARD Agency Sub-account to NF Transfer Account.
 - 9;10 The funds connected to irregularities must be transferred back to the IPARD Euro Account in EUR and to the State Treasury Account in HRK. Converting of funds is made on NF Transfer Account.
 - x NF HRK Account is for covering exchange rate losses/gains.

What is further in front of us?

- ✓ Accreditation and implementation of IPARD programme
- ✓ Establishing of LPIS in the Republic of Croatia
- ✓ Establishing of IACS entirely
- ✓ Establishing of the Paying Agency (for all payments in agriculture according to EU standards)