

**Information on functioning of the Management and Control System and Financial  
Implementation of IPARD III**

*April*

*2024*

## **1. Design of the Internal Control System**

### **Internal Manual of Procedures**

During the process of processing applications under the first call, need arose for improvement of the design of the ICS - Internal Manual of Procedures of IPARD Agency, Sector for Project Approval. The proposed changes do not have a significant impact on the established management and control system, as well as on the internal control framework, and they arise from the need to improve the application approval process, as well as better clarification on the necessary documents that should be submitted with the application. Also, the changes are proposed and needed in order procedure to be better aligned with the Sectoral Agreement, national legislation and IPARD III Programme.

The changes are related to: clarification of the procedure in cases when the administrative servant may ask for clarification in completeness phase, technical changes when receiving the application and generating application ID number, alignment of the text of the procedure with SA in the part exchange rate for conversion between euro and national currency, improvement of the model for deadweight risk assessment and the control system according to the first experience from the public call 01/23 from IPARD III, alignment of the text of the procedure with national legislation and IPARD programme and etc.

The process of formal approval by NAO as of 09<sup>th</sup> April 2024 have been finalised and the changes shall be applicable as of the second public call.

## **2. First public call under IPARD III Programme**

On 1<sup>st</sup> September, 2023, the first public call for measures 1 and 7 of the IPARD III program for the application of recipients for the use of IPARD III funds was published and finished on 30<sup>th</sup> October 2023. Contracting phase under the first call under IPARD III is still in ongoing phase. Procedure for ranking shall be applied since the requested amount is above available budget for the public call.

No. Public Call	Measures	Submitted Applications	Rejected applications	Total Number of proceeded applications	EU Contribution
01/2023	Measure 1	902	314	95	38.614.767 €
	Measure 7	257	89	21	35.023.204 €
<b>Total</b>		<b>1159</b>	<b>403</b>	<b>116</b>	<b>73.637.971€</b>

*\* Source - statistical data received by IPARD Agency converted in eur*

According to the data of the Agency the requested amount (EU part) on the first public call under IPARD III for the two measures (1 and 7) is 73.637.971 EUR, where the requested financial support is above the amount available for this call.

In April 2024 public call for Measure 3 is published. The procedure for application is ongoing.

### **3. Summary of verifications and controls carried out by the MS**

Annual Plan for Verification Visits for 2024 is adopted on 25<sup>th</sup> January 2024 and is foreseeing (2) two verifications related to IPARD III, as follows:

- Assessment of the design and established management and control systems for implementation of measure Investments in Rural Public Infrastructure from the IPARD III Programme and
- Administrative check of the rejected projects and ranking process under the new public call 01/2023 from IPARD III Programme.

During 2023 one verification visit was performed related to the IPARD III Programme (IPARD III accreditation/entrustment) in order to verify compliance of the established/designed system with ICF requirements for IPARD III. This activity was finalized with the official submission of the request for entrustment for IPARD 2021-2027 Programme.

### **4. Accreditation for new measures Investments in Public Rural Infrastructure**

Ministry of Finance intensively in cooperation with the IPARD structures (the Ministry of Agriculture, Forestry and Water Economy and the IPARD Agency) are preparing packages for the accreditation of a new measure from the IPARD III Program - Investments in public rural infrastructure.

With the accreditation of the measure Investments in public rural infrastructure, 9.25 million euros of IPA funds will be made available to the country, which is expected to increase the absorption of funds.

The package is finalized by IPARD structures assessed by NAO/MS and shall be submitted to AA on compliance.

Our expectation is that the structures by the end of Q3 shall submit the Request to the Commission.

### **5. Financial management**

Payment requests for pre-financing was sent to EC with letter no. 10-413/1 on 24<sup>th</sup> January 2024 in amount of 12.600.000,00 EUR and 50% of the amount was approved and received on IPARD III Euro account on 26<sup>th</sup> March 2024.

No transactions have been made in this period.