

1. Assessment of Management and control system

During 2025 management and control system under the implementation of IPARD III Programme 2021-2027 was regularly monitored and supervised by NAO/MS through different tools.

No significant changes in the design of the management and control system have occurred. Non-substantial changes have been made in Manual of Procedures of the IPARD Agency correlating to latest EC Guidance on EC restrictive measures.

However, in accordance with the latest events of suspicions of potential corruption by a high-ranking official within the IPARD Agency, National Authorizing Officer, based on Article 6, paragraph 5 of the Decree on establishment of the structures and authorities and determining their mutual relations for managing financial assistance under the Instrument for Pre-accession Assistance (IPA III) in indirect management, has interrupted all payments from IPARD funds. This measure shall be in force until its withdrawal i.e. till insurance is gained that the established system guarantees the legality and regularity of IPARD transactions.

At present, coordinated investigations and verifications processes are ongoing in parallel by several institutions and structures. The objective is to cover a wide range of areas identified by the Management Structure as critical points that could potentially allow corruption, as well as to reevaluate the established management and control system in light of the new circumstances. Based on the outcome, the national decision on interruption shall be reassessed.

2. Verifications and control carried out by the Management structure

NAO support office in the field of agriculture and rural development within the Annual Plan for Verification Visits for 2025 adopted on 04th February 2025, foresees three verification visits, as follows:

- Administrative check on project level concerning implementation of Technical Assistance Measure under IPARD III (indicatively planned for March-April 2025);
- Verification Visit on Project Level for paid projects, in particular ex post - on the spot checks for IPARD II Programme (indicatively planned for August-October 2025) and;
- Administrative check of the paid projects under IPARD III Programme (indicatively planned for November-December 2025).

First verification visit related to the implementation of the Technical Assistance Measure under IPARD 2021-2027 Programme is already finalised. While the second one related to ex-post on the spot check, had to be prolonged due to request by the Minister of Agriculture, Forestry and Water Economy. On his request ad hoc verification on raking process on the application from Measure 3 - Public call 01/2024 was performed. In addition, ex-post verification visit is prolonged due to the current happenings and need the focus to be put on other areas.

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3. Accreditation of new measures

Request for Budget Entrustment with Investments in Rural Public Infrastructure Measure was submitted to EC/DG Agri at the end of October. IPARD Structures are awaiting DG Agri respond on the matter.

In addition, IPARD Structures are working on setting up the system for LEADER Measure. Regular meetings for streamlining the processes were held among the structures till occurrence of the latest event. The process shall be re-started in the upcoming period.

Initial coordination among IPARD Structures for Agri-environment Measure was held as well. More focus on this measure will be put in second half of 2026.

4. Administrative capacities of the institutions within IPARD structure

Management Structure

Current number of employees in Management Structure is 17 (seventeen - including NAO) and the occupancy rate according the WLA is 94,4% (17 filled posts out of 18 needed). Additional 1 (one) employee is needed in NAO Support Unit dealing with IPA Programmes. Accordingly, NAO/MS capacity, in light of implementation of IPARD III Programme is considered reached.

IPARD Managing Authority

Workload Analysis (WLA 2025) of Managing Authority refers to the activities at the programme level which covers all the measures which are part of IPARD programme. According to Workload Analysis (WLA) the number of employees in MA at the moment is 13 (including HoMA) representing occupancy rate of 93%.

IPARD Agency

According to WLA for 2025 by the IPARD Agency, the optimal number of employees needed is 160. At the moment, there are 145 employees engaged in IPARD structure of the Agency. Accordingly, IPARD Agency has identified 15 vacant positions which need to be employed in order to reach the optimal number. The plan of IPARD Agency is to fill these positions by mid-2026 (Q2/Q3).

IPARD Structure capacities

In the table below are presented data regarding human capacities in IPARD structure:

Institution	Number of staff on 01.01.2025	Number of staff needed as per WLA 2025	Realized new recruitments by 10.10.2025	Left the position by 10.10.2025	Number of current staff	Current occupancy rate	Turnover rate
NAO/NF	14	18	3	0	17	94%	0.00%
IPARD Agency	143	160	11	9	145	91%	6.29%
Managing Authority	14	16	0	1	13	81%	7.14%

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Total	171	194	14	10	175	90%	5.85%
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With the WLA's for 2025 the number of staffs needed in the IPARD Structure is increased to 194, occupancy rate is 90%. The staff turnover on the level of the Programme is 5.85%.

Staff retention and motivation policy

Regarding the staff retention in IPA Structure with the Law on Execution of the Budget for 2025 short term solution for motivation and retention of staff in IPA structures is implemented. The solution provides 15% flat rate top up on the salary of the staff in the IPA structures till the end of 2025. With this solution is intended to overcome the gap till adoption of long- term systematic solution.

The new Law on Administrative Servants that has been adopted on 17.07.2025 (Official Gazette 144/2025) provides the possibility of top-up supplement of 15-30% to the basic net salary of all employees in the IPA structure, based on pre-defined criteria (this criterion will be implemented as of 01.01.2026). Draft Decree, as by-law deriving as request (condition) from the abovementioned Law, regulating detailed criteria for top up distribution, is drafted and is in intra-institutional coordination.

In parallel, technical assistance through SUPRAE Project was secured, where the expert is working on overall sustainable retention policy according to EC requirements. We expect by the end of 2025 to have more detailed information on these topics.

5. Financial management

Pursuant to Article 33(3) of the Financial Framework Partnership Agreement for IPA III and Annex 7 of the Sectoral Agreement, NAO sent to the Commission a Forecast of its Likely Payment Request for 2025-2026 for the IPARD III programme on 15th January 2025 and on 11th July 2025.

In the tables below are presented the executed payments – Community contribution (IPA) for the overall status of the Programme and for 2025 solely, **with cut off 07 November 2025:**

Table 1: Overall status of Programme for the period 2021-2027

	Community Contribution (IPA)	National Co-financing (NCF)	TOTAL	% of realisation
Available budget 2021-2027	97,000,000	31,073,333	128,073,333	
Disbursed	8,266,412.89	2,754,499.88	11,020,912.77	8%

Table 2: Executed payments in 2025

Measure	Community Contribution in €
Measure 1	5,410,260.18
Measure 3	750,311.36
Measure 7	1,051,147.25
Measure 9	3,184.67
TOTAL	7,214,903.46



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Pursuant to Article 37 of the Sectoral Agreement, NAO has sent a Declarations of Expenditures which served as payment requests for the expenditures incurred and the revenue generated via SFC 2021 system, as presented in the table below.

Table 3: Payment requests to EC

Quarterly Declaration of expenditure		Community Contribution in €
1	Declared in Q1 2024	0.00
2	Declared in Q2 2024	0.00
3	Declared in Q3 2024	1,543.05
4	Declared in Q4 2024	1,049,966.38
5	Declared in Q1 2025	1,014,558.18
6	Declared in Q2 2025	2,074,760.72
7	Declared in Q3 2025	2,970,846.68
8	Declared in Q4 2025 (will be sent by 31 January 2026)	0,00
TOTAL		7,111,675.01

De-commitment of community contribution funds for 2025:

1	Financial allocation	15,000,000.00 EUR
2	Pre-financing	6.300.000 EUR
3	Declared to EC	7,111,675.01 EUR
4	Paid in Quarter 4 till 07 November 2025	1,154,737.88 EUR
5=1-2-3-4	Potential de-commitment	433,587.11 EUR

Authorised amount by IPARD Agency not paid yet in amount of 417,672.33 EUR



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