Montenegro Institutional Development and Agricultural Strengthening Project (MIDAS)

Workshop: Direct payments and IACS pilot project

DP- IACS pilot project concept

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14.04.2016, PODGORICA

CONTENT

- **Concept - IACS pilot project**

  - Preparation of data
  - Single application form
  - Submission of aid application
  - Administrative and OTS control
  - Calculation and authorization of payment

- **Direct payment - IACS pilot project**

  - Simulation of implementation

Introduction

- **On the day of accession to the EU**, the Paying Agency has **to be ready to implement measures financed from the EAGF and the EAFRD** in full compliance with the EU rules and regulations.

- **Paying Agency will be also responsible for establishment and implementation of the Integrated Administration and Control System** (IACS), which shall be used as a support tool for direct payments and area-related rural development measures.

- In order **to speed up the process establishment of direct payment** system and IACS in Montenegro

  - design of DP-IACS pilot project
  - familiarize MARD and PA staff with DP and IACS practical implementation
  - test general principles and procedures

Objectives

- **To demonstrate** to both the farmers and the national administration the **principles and practical consequences of implementation** of CAP direct payments and area-related measures of the RD

- **To allow** MARD, Paying agency, Extension Service in Plant Production and Livestock Selection Service **practically experience the process** of administration and control of EU direct payments

- **To learn** more about the process and to develop on the basis of obtained results a set of practical recommendations for nation-wide IACS implementation
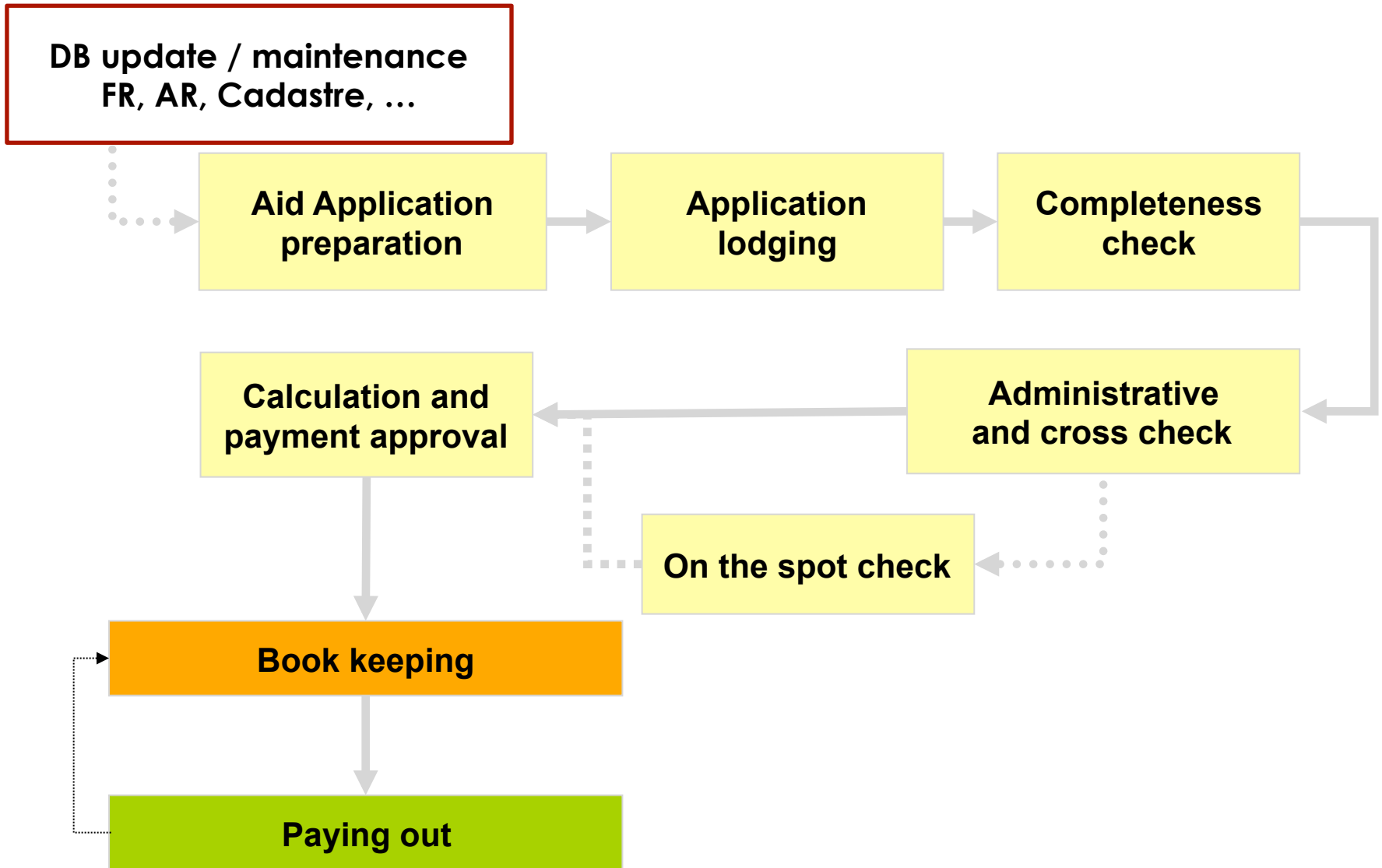
Activities

- Definition of simple IACS processes

- Integration of farm register, area database, animal register, aid application, administrative and on-the-spot control, calculation and authorization

- Preparation of single aid application template and administrative procedures

- Training of direct payment PA task force

- Training for farmers

- Simulation of process (preparation of claims, administrative control, on the spot control, cross checks, calculations)

Tasks

- **Preparation of the methodology**
  - Definition of model payment schemes
  - Design of pre-established aid application form and control report, including corresponding graphic material (maps and/or list of parcels)
- **Development of the software application concept**
- **Training**
  - Training of involved staff from MARD and Extension Service in Plant Production and Livestock Selection Service
  - Simulation of information meetings with farmers and distribution of pre-established aid applications
- **Submission of aid application/ Consultations with farmers**
  - Preparation and printing of pre-established aid applications for farmers
  - Filling in pre-established aid applications
  - Simulation of data entering aid applications to the software (in case of possibility), administrative control, calculation of aid, submission of final aid applications
- **On-the-spot-control**
  - Selection of farmers for on-the-spot checks
  - Preparation of pre-established control reports and graphic material
  - On-the-spot checks
  - Completion of control reports by the inspectors
- **Processing of data and evaluation**

Direct Payments Workflow - process

DB update / maintenance
FR, AR, Cadastre, …

| Aid Application preparation | → | Application lodging | → | Completeness check |

| Calculation and payment approval | ← | Administrative and cross check |

On the spot check

Book keeping

Paying out

Pre-printed application form

- **Pre-printed application form was designed to be prepared and available for farmers**

- **All model payments are declared using single application form**

- Content of pre-printed application form
  - Page 1: Claimant identification and the statement by the farmer
  - Page 2: List of declared parcels
  - Page 3: Declaration of animals

Pre-printed application form (2)

- **Pre-printed declaration of land**
  - All farmer parcels/ blocks identified/listed on farm should pre-printed
  - All possible payments should be indicated by tick boxes (according to the conditions of payments and the content of parcels data)
  - Reference parcels can be pre-printed, farmers can be allowed to fill in lower values in case of need
  - Blank rows can be added for indication of potential new parcels

- **Pre-printed declaration of animals**
  - Number of animals per defined category of cattle, sheep and goat registered in Animal register was pre-printed
  - Farmers were asked to declare the number of animals per category (less or equal to pre-printed values)

Single Aid application form

- **Submission**
  - Ministry / Paying agency

- **Administrative control**

  - Ministry / Paying agency / Extension services
  - Completeness
  - On time
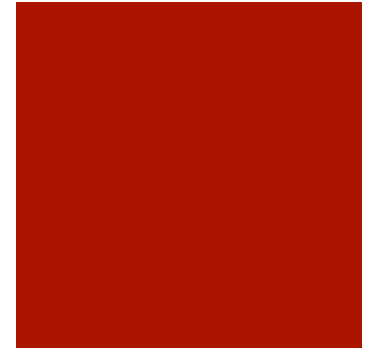 - Automatic consultation through the databases **(updated!)**

ON-THE-SPOT CONTROLS (OTSC)

- **Selection of the farm holdings**

- **Classical on-the-spot controls**

  - **For the parcels declared for area-related measures:**
    - Assess whether the land use fits the declared one
    - Measure the area of the parcel using GPS
    - Assess whether the parcel is in production or not

  - **Animals**
    - Assess whether animals are present on the farm

Calculation and authorization of payment
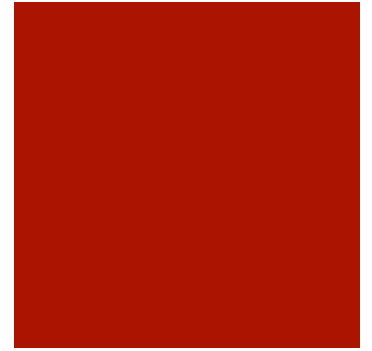
- **Calculation matrix**
  - Algorithm for calculation
  - Amount per measure
  - Total amount

- **Software**
  - Concept / Modules
    - Farmer identification (FR)
    - Area – Cadaster
    - Animals – AR
    - OTSC – collecting data from the field (area and animals)
    - Calculation

Single aid application form - Simulation

- Templates

- Simulation on real data (farmers)

- Discussion

- Conclusions