



# SZIF

Státní zemědělský intervenční fond

## **SZIF - State Agricultural Intervention Fund - PAYING AGENCY OF THE CZECH REPUBLIC**

**General Presentation**

**2010**



## State Agricultural Intervention Fund

### ■ History of the SZIF

- **1/1993** – Established as an organization regulating the agricultural commodity market
- **2000** – SAPARD Agency
- **2003** – Merger Decision
- **9-10/2003** – SZIF, APA and SAPARD Agency merged
- **12/2003** – Pre-audit prior the accreditation
- **1/2004** – Application for accreditation
- **4/2004** – Accredited as a paying agency
- **5/2004** – Commencement of full SZIF administration operation
- **7-8/2007** - Re-accreditation for EAFRD: certification by BDO
- **10/2007** – Re-accreditation for EAFRD: Ministry of Finance

## State Agricultural Intervention Fund

### Organization Structure

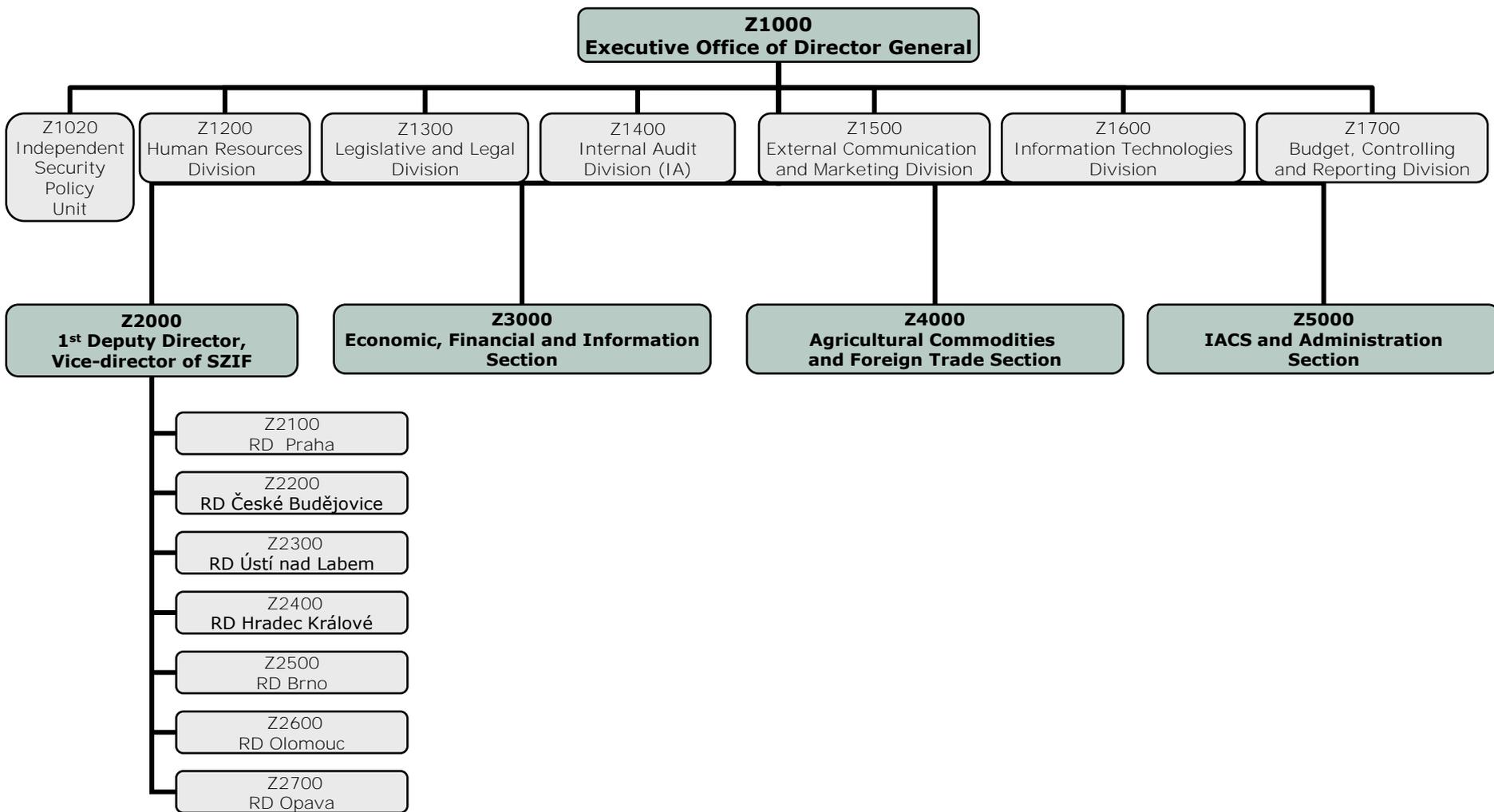
### Regional Offices

**7 Regional departments of the SZIF**

- 2100 – RD Praha**
- 2200 – RD České Budějovice**
- 2300 – RD Ústí nad Labem**
- 2400 – RD Hradec Králové**
- 2500 – RD Brno**
- 2600 – RD Olomouc**
- 2700 – RD Opava**



## Headquarters of the SZIF



## State Agricultural Intervention Fund

### Number of working positions of the SZIF – Prague - headquarters

<i>Name of division</i>	<i>No. of employees</i>
Director <b>General</b>	98
1 <sup>st</sup> Deputy Director & Vice-director of the SZIF	69
Economic, Financial & Information Section	43
Agricultural Commodities & FT Section	78
IACS and Administration Section	72
<b>Total</b>	<b>360</b>

July, 2010

## State Agricultural Intervention Fund

### Organizational Structure

### Regional Offices

#### Number of working positions of the SZIF - Regional Departments (RD)

<u>Name of division</u>	<u>No. of employees</u>
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RD Praha	76
RD České Budějovice	104
RD Ústí nad Labem	48
RD Hradec Králové	84
RD Brno	103
RD Opava	44
RD Olomouc	72

<b>Total</b>	<b>531</b>
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July, 2010



## State Agricultural Intervention Fund

### Basic information

- **Accredited paying agency since 30<sup>th</sup> April 2004**
- **The main purpose is to accept, process and authorize aid applications and effect payments to beneficiaries from:**
  - European Union:**
    - EAGF – European Agricultural Guaranty Fund
    - EAFRD – European Agricultural Fund for Rural Development
    - EFF – European Fisheries Fund
  - National Sources**
    - National Budget – budget item of the Ministry of Agriculture of the Czech Republic (MoA)
- **High quality food marketing**
  - **Promotion of KLASA - national quality trademark**

## State Agricultural Intervention Fund

### Main activities of the SZIF

- Administration of RDP
- Administration of direct payments
- Administration of fisheries
- Administration of production quota system
- Export subsidy in connection to export license
- Administration of export and import licensing
- Administration of guarantee system
- Sugar production charges
- Administration of the sucker cow premium
- Intervention purchasing

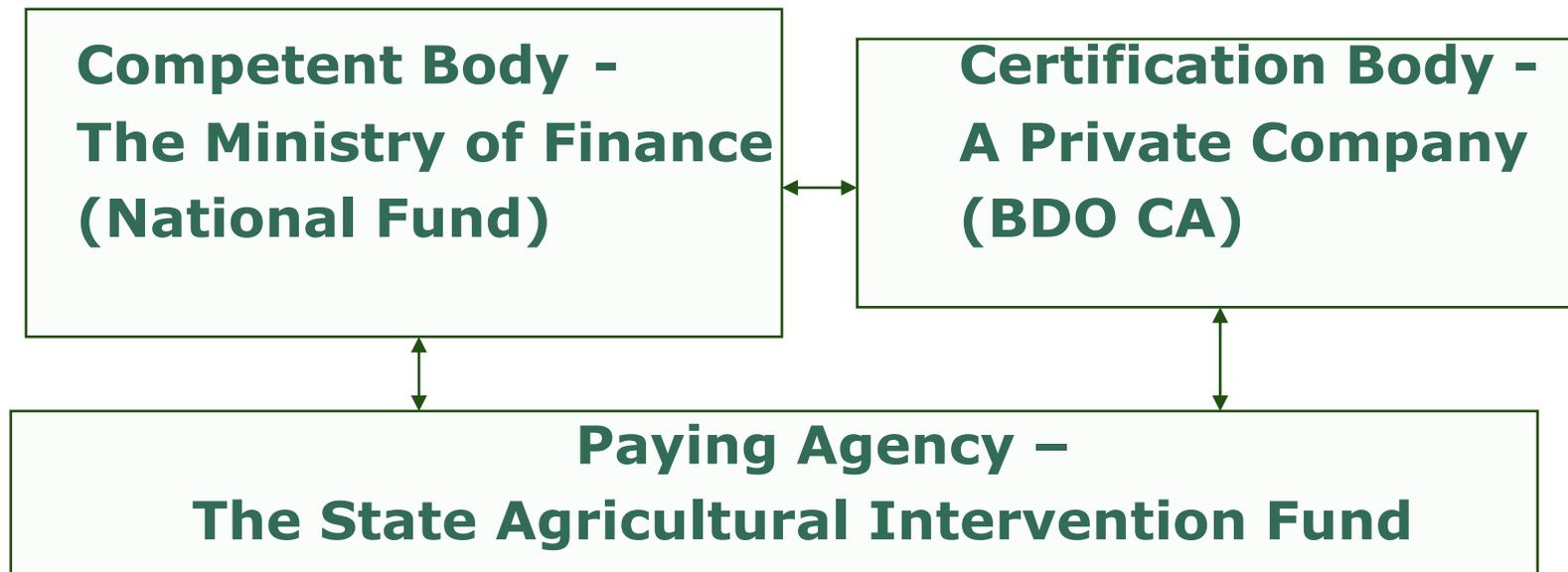
## State Agricultural Intervention Fund

### Re-accreditation of the State Agricultural Intervention Fund for EAFRD measures

- SZIF was re-accredited 10. 10. 2007
  - SZIF is licensed to implement measures of Common Agricultural Policy financed by EAGF and EAFRD
  - Accreditation for the programme period 2007 - 2013
  
- Accreditation granted by the Ministry of Finance of the Czech Republic

## State Agricultural Intervention Fund

### ■ Relation of the SZIF to other authorities



## State Agricultural Intervention Fund

### Administration of individual measures

- 1 Direct payments (DP)**
- 2 Rural Development Programme (RDP)**
- 3 Common Market Organization (CMO)**
- 4 Operational Programme for Fisheries**
- 5 Operational Programme for Agriculture**
- 6 Horizontal Rural Development Plan (HRDP)**
- 7 SAPARD – Pre-accession Assistance-last subsidies paid out in 2006**
- 8 National Programme of High Quality Food Support – KLASA trademark**

## State Agricultural Intervention Fund

### 1) Direct payments (DP)

- **SAPS**                      **single area payment scheme**
- **TOP-UP**    **national SAPS supplementary payment in areas:**
  - a) growing flax for staple
  - b) hops
  - c) ruminants
  - d) breeding sheep or goats
  - e) cow breeding without market milk production
  - f) agricultural land
  - g) potatoes for starch production
- **Energy plants**
- **SSP**                      **separate sugar payment**
- **STP**                      **separate tomato payment**

### Axis II payments

- **AEO**
- **LFA**                      **less favoured areas**
- **Natura 2000**            **agricultural land areas Natura 2000**

## State Agricultural Intervention Fund

### Direct Payments 2009

(In thousands of CZK)

Measure	From the EU	From the Czech Republic	Total
<b>SAPS</b>	<b>13 770 915</b>		<b>13 770 915</b>
<b>Top Up</b>		<b>10 027 723</b>	<b>10 027 723</b>
<b>Separate Sugar Payment</b>	<b>1 211 682</b>		<b>1 211 682</b>
<b>Energy Plants</b>	<b>32 224</b>		<b>32 224</b>
<b>Separate Tomato Payment</b>	<b>14 520</b>		<b>14 520</b>
<b>Direct Payments Total CZK</b>	<b>15 029 341</b>	<b>10 027 723</b>	<b>25 057 064</b>

## State Agricultural Intervention Fund

### 2) Rural Development Programme (RDP) 2007 - 2013

- Financial sources from EAFRD (European Agricultural Fund for Rural Development)
- Programme documentation approved on May 23, 2007
- **AXIS I – Improving the competitiveness of the agricultural and forestry sector**
- **AXIS II – Improving the environment and the countryside**
- **AXIS III – Improving the quality of life in rural areas and diversifying the rural economy**
- **AXIS IV – Leader**
- **AXIS V - Technical assistance**

## State Agricultural Intervention Fund

### Non-Project Measures RDP – 2009

(in thousands of CZK)

Measures	From the EU	From the Czech Republic	Total
<b>Axis I</b>			
<b>Early Retirement</b>	<b>18 767</b>	<b>6 255</b>	<b>25 023</b>
<b>Setting up producer groups</b>	x	X	x
<b>Axis II</b>			
<b>LFA</b>	<b>1 031 059</b>	<b>257 765</b>	<b>1 288 824</b>
<b>NATURA agri.</b>	<b>790</b>	<b>197</b>	<b>988</b>
<b>AEO</b>	<b>1 260 584</b>	<b>315 162</b>	<b>1 575 746</b>
<b>Afforestation</b>	<b>43 219</b>	<b>10 804</b>	<b>54 024</b>
<b>NATURA forest</b>	<b>100</b>	<b>25</b>	<b>125</b>
<b>Total CZK</b>	<b>2 354 859</b>	<b>590 295</b>	<b>2 945 155</b>

## State Agricultural Intervention Fund

### Project Measures RDP - 2009

(in thousands of CZK)

Axis	Year 2009	Total (2007-2009)
Axis I	2 581 835,6	3 455 277,4
Axis II	48 716,3	54 178, 6
Axis III	1 977 179,2	2 428 361,5
Axis IV LEADER	141 460,7	149 874,0
Axis V	25 168,7	31 297,9
<b>Total CZK</b>	<b>4 774 360,5</b>	<b>6 118 989,4</b>

## State Agricultural Intervention Fund

### 3) Common Market Organization

- **SZIF carries out administration of the CMO for the following commodities:**

#### **Vegetable commodities**

- Sugar
- Cereals
- Starch
- Oil and fat
- Fresh fruit and vegetables
- Grapes
- Flax and hemp
- Dried fodder
- Hops
- Rice

#### **Animal commodities**

- Milk and dairy products
- Eggs and poultry
- Lamb and goat
- Beef and veal
- Pork
- Bee products

- export subsidy for processed products not included in the Appendix of the EC Foundation Contract

## State Agricultural Intervention Fund

### CMO activities

- **Intervention purchase and sale** (sugar, cereals, milk and dairy products)
- **Production quota administration and evaluation** (sugar, milk and dairy products)
- **Consumption increase support of selected products** (milk and dairy products)
- **Private storage support** (milk, pork, beef and veal)
- **Production substitutes** (products made of starch)
- **Support of purchase by non-profit organizations** (milk and dairy products)
- **Producer organization approval** (fruit and vegetables)

## State Agricultural Intervention Fund

### ■ CMO - 2009

**From national sources:**

**CZK 90 748 000**

**From the EU:**

**CZK 1 871 687 000**

**In total:**

**CZK 1 962 435 000**

## State Agricultural Intervention Fund

### 4) Operational Programme for Fisheries 2007 – 2013

#### AXIS II. - Aquaculture, processing and marketing of fishery and aquaculture products

##### Main objectives of priority axis II.

- increasing added value
- decreasing production costs
- protection and improving the natural environment related with aquaculture
- strengthening the equality between men and women in fisheries sector

Measure **2.1.** – Measures for productive investments in aquaculture

Measure **2.2.** – Aqua-environmental measures

Measure **2.3.** – Animal health measures

Measure **2.4.** – Investments in processing and marketing

## State Agricultural Intervention Fund

# Operational Programme for Fisheries 2007 – 2013

## AXIS III. – Measures of common interest

### Main objectives of priority axis III.

- support to modernization of production by using innovative production methods and technologies
- increasing of fish consumption, especially freshwater fish, in the Czech Republic
- protection and development of aquatic organisms while enhancing the aquatic environment
- improvement of fish workers' skills
- upgrade of acquired scientific knowledge

Measure **3.1.** - Collective actions

Measure **3.2.** - Measures intended to protect and develop aquatic fauna and flora

Measure **3.3.** - Support and development of new markets and promotional campaigns

Measure **3.4.** - Pilot projects

## State Agricultural Intervention Fund

# Operational Programme for Fisheries 2007 – 2013

## AXIS V. - Technical assistance

### Main objectives of priority axis V.

- information and publicity of the OP Fisheries and EFF
- improvement of administrative framework of the OP Fisheries

## State Agricultural Intervention Fund

### Operation Programme for Fisheries - 2009

	From the EU CZK	From the Czech Republic CZK	Total CZK
<b>Axis II</b>	<b>13 201 678</b>	<b>4 400 569</b>	<b>17 602 247</b>
<b>Axis III</b>	x	x	x
<b>Axis V</b>	x	x	x
<b>Total CZK</b>	<b>13 201 678</b>	<b>4 400 569</b>	<b>17 602 247</b>

## State Agricultural Intervention Fund

### 5) Rural Development Operational Programme and Multifunctional Agriculture (2004 - 2006)

- Agricultural property investments
- Improvement in agricultural product processing and marketing
- Forestry
- Reinforcement of the adjustability and development of rural areas
- Professional training

## State Agricultural Intervention Fund

# Rural Development Operational Programme and Multifunctional Agriculture

**12 rounds for application from 2004 to 2006**

**4,948 applications accepted**

**3,552 applications approved**

**In total: 7.9 billion CZK**

## State Agricultural Intervention Fund

### 6) Horizontal Plan of Rural Development and Multifunctional Agriculture (HRDP)

- Support for less favored areas (LFA)
- Support within agro-environmental measures (AEO)
- Support for Agricultural Land Afforestation and Plant Cover Landscaping of Fast-growing species
- Support for early retirement of agricultural activity
- Support for the establishing and activity of marketing organizations of agricultural producers

## State Agricultural Intervention Fund

### Non-Project Measures

### HRDP - 2009

(In thousands of CZK)

Measures	From the EU	From the Czech Republic	Total
Early Retirement	45 039	15 013	60 052
Setting up Producer Groups	55 156	17 631	72 788
LFA	56	14	70
AEO	2 233 536	559 175	2 792 711
Afforestation	12 172	3 043	15 215
<b>Total CZK</b>	<b>2 345 960</b>	<b>594 877</b>	<b>2 940 838</b>

## State Agricultural Intervention Fund

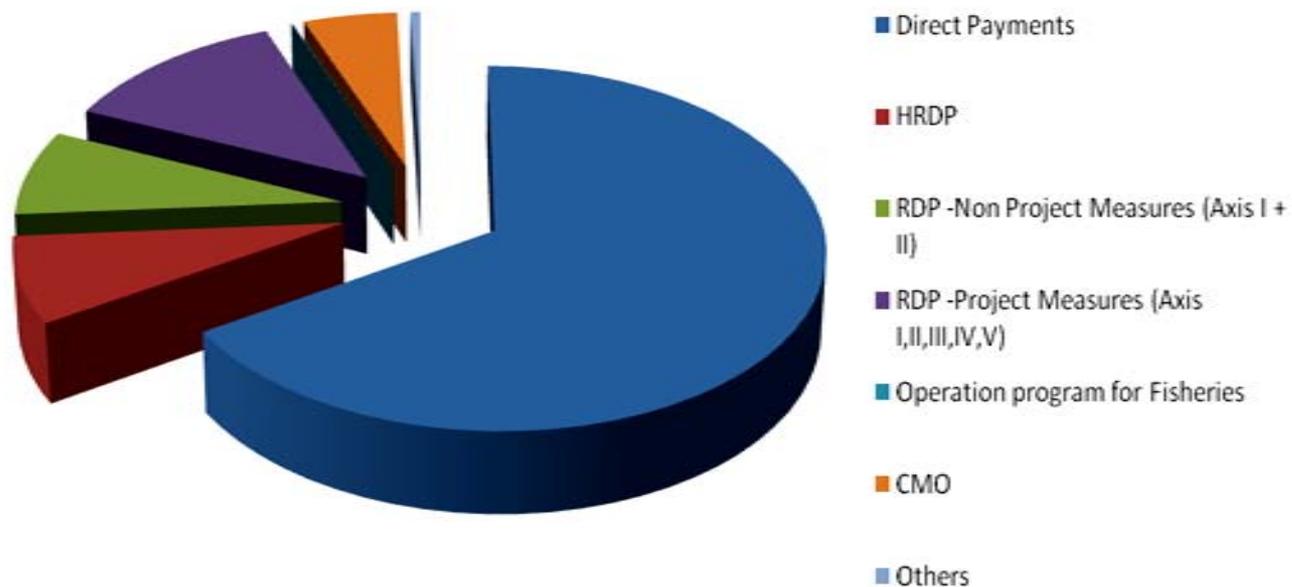
### Survey of Subsidy Payments

(in millions of CZK)

Measure	Paid out <u>1.1. - 31.12.2006</u>	Paid out <u>1.1. - 31.12.2007</u>	Paid out <u>1.1. - 31.12.2008</u>	Paid out <u>1.1. - 31.12.2009</u>
SAPS	8 775	10 188	10 412	13 771
TOP UP	7 358	7 921	5 592	10 028
SSP	25	515	673	1 212
STP	-	-	14	14
Energy Crops	-	-	38	32
HRDP Total	6 489	3 955	3 106	2 941
CMO	3 867	966	1 757	1 962
RDP - Non-project measures	-	2 728	4 059	2 954
RDP - Project measures	-	100	1 252	4 774
<b>TOTAL CAP</b>	<b>26 514</b>	<b>26 373</b>	<b>26 889</b>	<b>37 679</b>
SAPARD	121	-	-	-
OP Agriculture	1 797	2 051	1 401	-
OP Fisheries	-	-	18	18
<b>TOTAL</b>	<b>28 432</b>	<b>28 424</b>	<b>28 290</b>	<b>37 697</b>

## State Agricultural Intervention Fund

### Survey of chosen subsidies in 2009



## State Agricultural Intervention Fund

### Farmer Portal of the SZIF

- **Launched in November 2006**
- **Continuously extending service for subsidy applicants**
  - **Review of application administration**
  - **Applications since 2004**
  - **Possibility of on-line applications**
- **Connected to the MoA Farmer Portal**
  - **Register access and other services**

## State Agricultural Intervention Fund

### Information available on the Farmer Portal

- Land parcel transcript from the SZIF submitted application
- Administration state of the application
- Date of issuing a decision
- Date of legal validity of the decision
- Maximum amount of subsidy
- Date and amount of paid out subsidy
- Account number to which the subsidy was paid out

## State Agricultural Intervention Fund

### Information available on the Farmer Portal – milk quota

- **Service for milk producers or milk quota holders in the CR**
- **Available data from 1<sup>st</sup> May 2004**
- **Registered milk quota holders get current information on:**
  - **Amount of individual quotas and its fulfillment within specific months**
  - **Individual quota operations for given quota years (transfers, conversions and changes)**
  - **data required by their customers**
- **Simplified systems for form filling and on-line application submission are being prepared**

## State Agricultural Intervention Fund

### 8) Food marketing support – national quality trademark - KLASA

- KLASA is a mark of high-quality food
- It has been granted by the Minister of Agriculture of the Czech Republic since 2003
- 1,338 of products from 220 producers are already holders of the KLASA trademark
- The KLASA trademark is known in 81% of households
- The KLASA trademark is presented at various international and domestic fairs

## State Agricultural Intervention Fund

### Food marketing support – national quality trademark - KLASA

#### KLASA is granted in ten categories:

- Meat, meat products
- Milk, dairy products
- Mill, bakery and pastry products
- Fish, fish products
- Processed fruit and vegetables
- Frozen creams
- Delicatessen
- Soft drinks
- Alcoholic drinks
- Other food products

## State Agricultural Intervention Fund

### Food marketing support – national quality trademark – KLASA

- **2009**

**207 377 thousand of CZK was given from national budget for promotion of KLASA trademark**



## State Agricultural Intervention Fund

### Other Measures - 2009

(In thousands of CZK)

<b>Measures</b>	<b>From the EU</b>	<b>From the Czech Republic</b>	<b>Total</b>
<b>Organic Food</b>	<b>2 458</b>	<b>2 458</b>	<b>4 916</b>
<b>Honey Consumption Promotion</b>	<b>843</b>	<b>337</b>	<b>1 180</b>

## State Agricultural Intervention Fund

**All activities at the SZIF mentioned in this presentation are objects of the control.**

### **Types of controls at the SZIF**

- **External controls**
  - **Czech entities**
  - **European entities**
- **Internal controls**



# SZIF

Státní zemědělský intervenční fond

**Thank you for your attention**

