



PAYING AGENCIES, COORDINATING AND CERTIFYING BODIES, INTERNAL AUDIT



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I. CURRENT SITUATION IN TURKEY



There is no paying agency in Turkey.

However, there are certain bodies carrying out following functions and duties as below:

FUNCTIONS	BODIES
Export Refunds	Undersecretariat for Foreign Trade and Exporters' Unions
Intervention Buying-in	Turkish Grain Board (TMO)
Direct Payments	Ministry of Agriculture and Rural Affairs (MARA)
Others	TAPDK, Sugar Authority



- **TMO (TURKISH GRAIN BOARD)**
- **SUGAR AUTHORITY**
- **TOBACCO, TOBACCO PRODUCTS AND ALCOHOLIC BEVERAGES MARKET REGULATORY AUTHORITY (TAPDK)**
- **OTHER BODIES**



TMO (TURKISH GRAIN BOARD)

- Operates under Law No.233 on the State Economic Enterprises
- Prevention of price volatility through intervention purchases of cereals and paddy rice
- 27 local branches 120 sub-branches and 56 temporary equipped purchasing centers all over Turkey
- Maintenance of emergency stock
- Internal Audit Unit and technical control services



- Board of Directors declares intervention prices
- Periodical intervention
- Goods are delivered to intervention centers of TMO
- Payments made by bank branches
- Intervention stocks are periodically checked by controllers



SUGAR AUTHORITY

- Established by the Sugar Law no.4634
- Regulatory Body
- The Sugar Board is the decision making body of the Authority



- Allocation of quotas according to demand
- On the spot checks
- Contractual sugar beet production
- Internal Monitoring, Coordination and Audit Unit



TOBACCO, TOBACCO PRODUCTS AND ALCOHOLIC BEVERAGES MARKET REGULATORY AUTHORITY (TAPDK)

- Established by Tobacco Law no.4733
- Regulatory Authority
- No intervention but determination of opening auction sales price
- Registration of purchases to tobacco sales center or TAPDK is necessary



- Market on contractual or auction sale system
- Sample Contract publication on Official Gazette
- Authorization Certificate for trade is necessary
- First processing permission from TAPDK is obligatory



MINISTRY OF AGRICULTURE AND RURAL AFFAIRS

- Direct Income Support
- **Deficiency Premium**
- Seed and Seedling
- Tea Trim
- Livestock supports
- Support to Activities of Cooperatives
- Aid for Farmers Suffered From Natural Disasters
- Fight against animal or plant diseases
- Aid for research and development
- Land Consolidation and Reparcelling
- Insurance on Agriculture
- Village Based Participatory Investment Program



OTHER BODIES

- Undersecretariat for Foreign Trade
- TEKEL (State Tobacco Company)
- Agricultural Sales Cooperatives And Their Associations (ASCAs)
- PANKOBIRLIK (Sugar Beet Growers Cooperatives Union)



II. PAYING AND CONTROL MECHANISM IN TURKEY (DIS, NFRS AND IACS)



DIS and NFRS

- Direct Income Support System (DIS) in place since 2001
- 2.75 million farmers and 17 million ha land registered
- National Farmer Registration System (NFRS)
- Payments for agricultural lands.



- Applications to District Offices of MARA
- Data gathered through NFRS in MARA
- Data sent to Head Office of Ziraat Bank.
- Farmers paid by Ziraat Bank branches.



- Control through NFRS (document checks, approval of local authorities, spot checks in cadastral areas, preliminary checks by Inspection Board of MARA)
- Control through Animal Registration System by MARA
- Control through Pedigree System by Cattle Breeders' Association



III. PREPARATORY ACTIVITIES



- Project Fiche under 2005 Financing Memorandum, “Establishment of IPARD Agency and Capacity Building”
- 2 working groups for IPARD planning and implementation
- Preliminary Draft law
- Project Fiche under 2004 Pre-accession Financial Cooperation Programme, “Preparation for the Implementation of EU Common Agricultural Policy” most appropriate model for Turkey will be determined about IACS.



THANK YOU FOR YOUR ATTENTION