Standard Summary Project Fiche

1. Basic Information
   1.1 CRIS Number: BG2004/016-711.03.01
   1.2 Title:

Preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the second pillar of the EU Common Agricultural Policy – Rural Development, and establish its Paying agency and prepare the setting up of IACS in Bulgaria - phase 3

   1.3 Sector: Agriculture
   1.4 Location: Bulgaria, Sofia, Ministry of Agriculture and Forestry
   1.5 Duration: 2004-2006

2. Objectives

   2.1 Overall Objective:

Preparation of the Bulgarian Ministry of Agriculture and Forestry to administer the assistance under the European Funds EAGGF, FIFG and the National Program for Integrated Rural Development Schemes.

   2.2 Project purpose:

   **Sub-project 1**
   Strengthened administrative capacity of Rural Development and Investment Directorate (RDID) within the Ministry of Agriculture and Forestry in programming, implementing, monitoring, control and evaluation of rural development programmes;

   **Sub-project 2**
   Equip and train the Paying Agency at the State Fund Agriculture in Bulgaria for the appropriate management of EAGGF and FIFG type of funds.

   2.3 Accession Partnership (AP) and NPAA priority

   **Sector Agriculture:**

   “Upgrade administrative structures for design, implementation, management, monitoring, control and evaluation of EC funded rural development programmes and the EU forestry strategy”.

Adoption of legislation and building the administrative capacity needed for absorption of EAGGF, after accession to the EU, is included as measure in NPAA Chapter “Agriculture”.

In order to accomplish full harmonization with the acquis, the Republic of Bulgaria has amended the Farmers support Act, which regulates the establishment of a Paying agency and an Integrated Administration and Control System.

The Paying agency is the institution responsible for defining the support schemes, checking the applications for support and for making the payments for which farmers apply.

The establishment of a Paying agency requires significant financial recourses from the PHARE programme. The project is in compliance with the strategy defined in Chapter Agriculture, according to which the Paying agency and IACS have to be fully operational by the end of 2005. The system is responsible for the control over the financing under EAGGF and FIFG. Its aim is to improve the administration and control mechanisms.
2.4 Contribution to National Development Plan (or SFs Development Plan)

The improved administrative capacity is a precondition for the design of adequate programmes for agricultural and rural development contributing to the achievement of the NDP goals, while meeting all the requirements of the relevant Community Acquis.

The overall goal of the National Agriculture and Rural Development Plan is to reinforce the achievement of the objectives under the Accession Partnership and the NPAA as well as the main objective of the National Development Plan, viz. achieving sustainable low-inflationary economic growth as a major precondition for the generation of higher income and improvement of living conditions and standard with a view to Bulgaria’s future integration into the EU.

The objectives of the National Agriculture and Rural Development Plan over the 2000 – 2006 period have been defined as follows:

1. Development of efficient and sustainable agricultural production and competitive food processing sector through improved market and technological infrastructure and strategic investment policies, ultimately aimed at reaching EU standards.
2. Sustainable rural development, consistent with the best international environmental practices by providing alternative employment opportunities, economic diversification, development and rehabilitation of infrastructure.

Both objectives aim at improving rural economic and social conditions. They are both complementary to and consistent with the overall goal of the National Agriculture and Rural Development Plan. They are clearly targeted at improving agricultural structures and market efficiency, implementation of the Acquis Communautaire while creating employment opportunities and raising living standards in rural areas.

The first objective of the 7-year plan aims at improving production quality and establishing competitive processing and marketing structures in the agricultural sector. In the future, living and working conditions in Bulgaria will become more and more dependent on the competitiveness of agriculture and forestry. Re-structuring of agricultural holdings is one of the priority areas that needs an all-out and concerted effort to help farmers meet the EU farming requirements and production standards.

The implementation of the Bulgarian agricultural policy will rely on targeted support given to the sector. The paying agency and the IACS will contribute to the appropriate management of this financial support – and thus the implementation of the agricultural policy – first under Bulgarian national funds (for the running of the system until full accession of Bulgaria in the EU) and then for EAGGF funds upon accession.

The Paying Agency will be part of State Fund Agriculture – SAPARD Agency. It is expected that key staff that was involved in the setting up of the SAPARD Agency will be involved in setting up IACS.

The scheme to be applied after accession will be in line with the strategy for support of agriculture, defined in the NARDP.

2.5 Cross Border Impact
Not applicable.

3. Description

3.1 Background and justification:

Sub-project 1

Once Bulgaria becomes a member state of the European Union, it will be obliged to implement the EU Common Agricultural Policy (CAP) and the Common Fishery Policy (CFP). In pursuance of the current
rules, the implementation of the above policies in Bulgaria shall form part of the Community Support Framework (the entire territory of the country will be eligible as Objective 1 region as set in Council Regulation 1260/1999). The instruments for implementing CAP-Rural development and CFP are the European Agriculture Guidance and Guarantee Fund (EAGGF) as well as the Financial Instrument for Fishery Guidance (FIFG). The policy delivery mechanisms are currently set in CR 1257/1999 [as amended by 1783/2003] and CR 1263/1999.

Through the Special Accession Program for Agriculture and Rural Development (SAPARD), Bulgaria has achieved significant progress in its preparation for the implementation of CAP-Rural Development and partially of CFP:

1) The preparation of the National Agriculture and Rural Development Plan (NARDP) 2000-2006 under SAPARD has provided valuable experience that will be utilized in the preparation of the rural development programs for the next programming period;

2) The implementation of NARDP necessitated the establishment of administrative structures (i.e. Managing Authority, Certifying body, SAPARD Agency, Monitoring Committee) that will also be required under the EAGGF- and FIFG-supported rural development programs after accession.

According to the Strategy for participation of the Republic of Bulgaria in the EU Structural Funds and Cohesion Fund, as well as to the Complementary information to Negotiation chapter 21 “Regional Policy and Coordination of Structural Instruments” the Managing Authority for the rural development programs under EAGGF and FIFG will be the Rural Development and Investments Directorate (RDID) of the Ministry of Agriculture and Forestry (MAF).

RDID has played a vital role in the preparation of NARDP and is presently involved with the monitoring of SAPARD implementation, being the Secretariat of the SAPARD Monitoring Committee. The Directorate also organized the SAPARD ex-ante and mid-term evaluations, and is contributing to SAPARD publicity and reporting.

After accession the Directorate will retain and expand all of its current responsibilities as the rural development programs’ Managing Authority.

Despite the rich experience gained to date under SAPARD, the administrative capacity of the structures, to be involved in CAP implementation, will nevertheless have to be strengthened further. This is due to the impending CAP delivery mechanism reforms and also due to the fact that of the 29 rural development measures that will be available to Bulgaria after accession only 14 were eligible under SAPARD. The simplification of delivery mechanisms, with respect to programming, financial and control systems [inclusive of further decentralization] as well as the expanded menu of eligible measures, that may be drawn into Bulgaria’s CAP rural development assistance envelope, calls for meticulous preparation, rigorous training and recourse [by the responsible administrative structures] to the best practices gained under both SAPARD and member-state experience in the implementation of these measures.

The current project will cover the preparation/institutional building of RDID to smoothly take on its role as Managing Authority of the CAP rural development program. The project will see the directorate through the switch from SAPARD to post-accession rural development assistance programs. It will deliver valuable assistance in the process of programming and ex-ante evaluation of the post-accession rural development program[s], in the setting up of the monitoring & evaluation systems.

The project has two core components – Twinning and Technical Assistance.

Twinning shall provide training to all RDID personnel [the directorate staff will meanwhile expand twofold, in pursuance of its post-accession duties] and also to a significant number of staff from the Executive agency for fisheries and aquaculture, social & economic partners to be involved in RDP
monitoring, State fund “Agriculture” [being the RDP intermediate body], and MAF central and regional units. The training/exchange of experience will be both CC and MS-based, and will adopt the modular approach, covering the following core subjects:

1. CAP/Structural Funds history and context;
2. Strategic planning and programming;
3. Program implementation (including provision of “cross-cutting” member-state evidence and experience from the implementation of measures, not covered by SAPARD);
4. Financial management and control systems;
5. Monitoring and Evaluation systems;
6. Partnership and Coordination.

Thus, the core task of the Twinning resident advisor and of the Project managers will be to “plug-in” the relevant training modules at the appropriate time [sometimes simultaneously, sometimes consequentially] as the Directorate will actually be implementing most of the above activities throughout the project duration. In this way, “learning-by-doing” will be effected in terms of RDP programming, ex-ante evaluation, procurement and administration, sectoral work, development of the monitoring system, partnership and coordination, etc. This will augment the sustainability of project results, which along with the development of written procedures/manuals and the substantial number of staff trained, should ensure a “critical mass” of EAGGF/SF knowledge to off-set possible risks related to staff turn-over.

Staff from the RDID could also be included in the contract 5 of the Pillar 1 training (facilitation, communication, PCM) and benefit from training sessions alongside their other colleagues from the Ministry.

The Technical Assistance component will feed into the project by complementing Twinning in terms of provision of sector-specific expertise, needed in programming, monitoring and regional statistics, IT development expertise and hardware.

Sub-project 2

Bulgaria has committed itself to developing a structure for the management of national funds invested in the support of agriculture, fully compliant with the structure required for the EAGGF funds. In practice, this means that Bulgaria will set-up and establish a Paying Agency and an IACS to run first on national funds, and subsequently on EAGGF funds, pursuant to Council Regulation (EEC) No 3508/92 of 27 November 1992 establishing an integrated administration and control system.

Article 8 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy stipulates that Member States must take the measures necessary to satisfy themselves that transactions financed by the European Agricultural Guidance and Guarantee Fund (EAGGF) are actually carried out and are executed correctly.


The IACS requires to store, compare, import and export very large quantities of data and aid applications. The computerised system shall allow possibilities of cross-checks between the components of the scheme:
(a) a computerized data base;  
(b) an alphanumeric identification system for agricultural parcels;  
(c) an alphanumeric system for the identification and registration of animals;  
(d) aid applications;  
(e) an integrated control system.

The IT based administrative checks are supplemented systematically by checks both on the spot and using remote sensing.

The computerised database shall record, for each agricultural holding, the data obtained from the aid applications. This database shall in particular allow direct and immediate consultation of the data relating at least to the previous three consecutive calendar and/or marketing years. The alphanumeric identification system for agricultural parcels shall be established on the basis of land registry maps and documents, other cartographic references or of aerial photographs or satellite pictures or other equivalent supporting references or on the basis of more than one of these elements. The system will be able to be updated to manage the changes following the reform, in particular manage the single farm payment scheme, calculation of payment entitlements per farmer based on the system agreed, tracking information and records, notifications and application forms management, etc.

The Phare 2004 intervention will rely on preparatory projects implemented under Phare 2002 and Phare 2003. As such, Phare 2004 funds represent third phase to the Phare 2002 project for the Establishment of a Paying agency and the preparation for setting up of an IACS in Bulgaria.

Phase 1 will set-up the operational structure of the agency with all paper based working procedures and documents. It will also prepare detailed technical specifications for the setting-up of an IACS and the procurement of IT equipment. Phase 1 has included 1.133 MEURO of IT equipment. It is expected that the twinning assistance mobilised under Phase 1 will still be present when the IACS central software is programmed and delivered under Phase 2, in order to provide continued supervision and advise. Phase 1 has started in April 2004 with the arrival of the twinners.

The Phare 2003 (Phase 2) intervention will deliver hardware, standard and special software and other technical equipment and remote sensing services according to the results of the needs assessment and detailed technical specifications prepared under Phare 2002 (Phase 1). It is envisaged that services, preparation of orthoimagery, software and equipment for 2.96 MEURO (including national co-financing) shall be supplied under the Phare 2003 (Phase 2) project. The equipment shall include additional hardware as well as standard - of the shelves - and customised IACS software for the Paying agency, allowing for future upgrading of modules according to the ongoing reform.

It is planned that the Phare 2003 (Phase 2) intervention will focus on staged implementation of the IACS over several regions. These few regions will be equipped with the necessary technical equipment. The other regions (up to 28 regions) will receive the necessary equipment in the phases described here (Phases 3 and 4 under Phare 2004-2006), taking advantage of the gradual build-up of experience and competence gained from the two initial phases.

The Phare 2004-2006 intervention will deliver additional training and equipment necessary to complete the system at central but mostly at regional level. The training will be based on the training materials prepared under the previous projects as well as prepared under the proposed project. The supply of the equipment and completion of the system is necessary and vital for the proper functioning of the Paying Agency. After the installation is completed and staff trained the PA will be ready to meet all the requirements for its Accreditation for CAP, RD and FIFG measures. It is envisaged that services, software and equipment for 5, 288 200 MEURO (including national co financing) shall be supplied under the Multiannual Phare 2004-2006 programme. The equipment shall include additional hardware as well as standard - of the shelves - software for the Paying agency (HQ and Regional offices).
The HQ of the Paying Agency is based in Sofia, in the State Fund Agriculture (SFA). The SFA has 28 regional offices currently dealing with national schemes and SAPARD, and 6 district offices specialised in SAPARD. The current staff is approximately 480 people.

In order to take care of its new obligations as Paying Agency, the plan is to appoint (starting from 2004 in 3 consecutive years) a 150 additional staff annually (total of 450 additional staff). Once fully staffed, the PA will have 930 employees in HQ and regional offices. The district and regional offices will probably be combined, according to the experience gained in the transformation from SFA to PA. New staff will be trained using the training material developed under the various phases of the development of the project, including the current one. Training material developed under any support (twinning or TA) phase will be concentrated in the PA archives and made available for each staff both on hard and digital format. Additionally, standard training modules will be delivered to newly hired staff. Additionally, all SFA existing staff is regularly trained, and will have to pass a test prior to being entitled to work in the PA.

The regional offices will input data in the IT system, and do field checks. The HQ will also do field checks, manage authorisation, payments and accounting, secure project approval in rural development, maintain the IT system, contribute to the upgrading of the legal framework as necessary, and ensure coordination with the authorities and other stakeholders. All consolidated data, analysis, impact assessment, accounts, reports, etc. will be centrally available. The whole decision making process will be centralised.

3.2 Sectoral Rationale

Not applicable

3.3 Results:

Sub-project 1

Twinning (Contract 1)

1. Identification of the additional administrative capacity needs/gaps in view of the implementation of additional measures under EAGGF and FIFG, currently not available under SAPARD;
2. Action plan for strengthening the RDID administrative capacity (including staffing needs and staff training) based on result 1;
3. Guidelines and methodology for programming, monitoring, control and evaluation of the programs, including procedures for involvement of the socio-economic partners;
4. Rules of procedure for the RDID units [as Managing Authority] based on their responsibilities and operational manual for its staff (including relationships with other involved institutions);
5. Rules of procedure for the Monitoring Committee[s] and operational manual for their secretariat[s];
6. Definition of the core responsibilities and tasks of the RDP implementing agency [“intermediate body”] in accordance with the specificity of the RDP [based on a review of the absorption capacity, achieved under SAPARD and of the possible need for improvements];
7. Trained RDID/MoAF staff in view of their responsibilities and duties;
8. Detailed measure elaboration and programme complement preparation

Technical assistance (Contract 2)

9. Sector analysis are prepared [drafts]
10. Operational monitoring system;
11. Operational regional statistics database (information system/data base on rural areas);

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1 See Annex 6 for further detail on the monitoring system.
Technical assistance (Contract 3)

12. Ex-ante evaluation of the programme[s].

Supplies (Contract 4)
(Contract 4.1 for sub-project 1)

13. Equipment supplied and local net developed.

(Contract 4.2 for sub-project 2)

14. Paying Agency and all regional offices equipped

Year 2

Technical assistance (Contract 5 - sub-project 2)

1. Review of existing training documents and development of additional ones in the light of recent CAP and Rural Development reform
2. Training needs assessment
3. Staff training strategy developed
4. Staff training programme developed
5. Training of trainers
6. Training delivered to the whole staff of SFA/PA. Cascade training by SFA/PA staff
7. PA agency procedures reviewed and upgraded to reflect results in definition of measures under contract 1.
8. Information system of the PA reviewed and upgraded to reflect results in definition of measures under contract 1.

Supplies (contract 6 - sub-project 2)

9. Paying Agency and all regional offices further equipped

3.4 Activities:

Sub-project 1

The numbering corresponds to the results to be obtained.

Twinning (contract 1)

1.1 Vertical review of current administration/institutions
1.2 Review possible/decided measures in new regulation
1.3 Gap analysis and recommendations
2.1 Action planning based on Result 1 obtained from activities above, including job description, planning for increase in staff
3.1 Prepare guidelines and methodology
3.2. Selection and adaptation of existing guidelines from MS – prepare a short list of possible measures
3.3 Partner identification, prepare communication strategy
3.4 Communication skills training for up to 70 persons under contract 5 of pillar 1
3.5 Trip to Greece for 25 persons for 5 days to visit local action groups
3.6 Second trip for 25 persons for 5 days to Athens for most important socio-economic actors, partnership for rural development
3.7 Third trip to Poland for 7 persons for 5 days for temporary specific measures
3.8 Training needs assessment and manual preparation and training
3.8.1 Strategy formulation (training of 50 trainers)
3.8.2 Selection of projects (training of 50 trainers)
3.8.3 Cascade training by RDID including 100 training sessions (50 trainers divided in 25 groups of 2 trainers each, 4 training sessions each for 15 to 20 persons)
4.1 Prepare institutiogram, define type of relationship, draft documents (including operational manuals/job description for staff)
5.1 Draft rules of procedure for Monitoring Committee and operational manuals for their secretariat
6.1 Define core responsibilities of stakeholders
7.1 Trip to MS for 12 persons from RDID for 5 days
7.2 Training needs assessment and training material preparation
7.3 Training seminars for 25 people for 5 days in monitoring and management duties
7.4 Seminar for 10 people each for 5 days on internal evaluation and tendering procedures
8.1 Detailed measure elaboration and programme complement preparation

Technical assistance (contract 2)

9.1 Based on previously defined SWOT and situation analysis, TA will contribute to the definition of RD strategy (goals and objectives)
9.2 Sector analysis
10.1 Review of the current indicators for SAPARD Monitoring and Evaluation
10.2 Define monitoring & evaluation indicators covering new measures reflecting the deficiencies identified in SAPARD
10.3 Define expected values (results) of monitoring and evaluation indicators
10.4 Review of current systems for collecting, processing and analyzing SAPARD monitoring data
10.5 Define the necessary primary data about indicators
10.6 Set-up monitoring data base compatible with current system
10.7 Test monitoring database software
10.8 Prepare manual about monitoring DB software
10.9 Training (4 seminars for 20 people 5 days each)
11.1 Review of the current regional statistics DB
11.2 Identification of the regional primary data
11.3 Set up regional data base system as a component of new monitoring DB system and compatible with current regional DB of RDID, Agristatistics Directorate and National Statistics Institute
11.4 Test regional DB
11.5 Prepare manuals about new software
11.6 Train RDID and regional offices (4 seminars for 20 people 5 days each)

Technical assistance (contract 3)

12.1 Review of program documents/studies
12.2 Appraisal of RD intervention relevancy
12.3 Review of the efficiency of assistance delivery systems
12.4 Formulation of practical conclusions and recommendations

Sub-project 2

Activities Year 2

Technical assistance (contract 5)

1. Review measures adopted for rural development
2. Define impact of RD measures and CAP reforms on PA manuals and procedures
3. Upgrade manuals and procedures accordingly
4. Define impact of RD measures and CAP reforms on the IT system of the PA.
5. Prepare ToR for upgrading the IT system of the PA
6. Training needs assessment
7. Prepare a strategy for staff training
8. Preparation of training programme and of training materials
9. Training of the key and all available staff of the PA on the:
   1. Structure and functioning of a Paying and Intervention Agency
   2. IACS
   3. Implementation of Direct Payments
   4. Implementation of the Market Measures
      4.1. Intervention
      4.2. Aid Schemes
      4.3. Entitlements
      4.4. Export Subsidies
   5. Rural Development Measures
   6. FIFG Measures

3.5. Linked activities:

Sub-project 1
BG9810-01: Special Preparatory Programme for the structural Funds in Bulgaria:
BG98/IB/SPP/03: Improvement of the efficiency of the SAPARD Task Force in MAF – Twinning with the Greek Ministry of Agriculture.
BG9810-01-01: Pilot Integrated Development Project in the Dobrich region implemented according to structural funds principles.
BG9810-02-01: Preparation of detailed measures for the National Agriculture and Rural Development Plan under the SAPARD Programme in Bulgaria.
BG9810-01-02: SPP Technical assistance component for the preparation for the accreditation of SFA.
BG9810-01-01-009: Provision of assistance to the internal audit department of SAPARD Agency.
SIGMA (OECD): Support for Improvement in Governance and Management in Central and Eastern European Countries.
BG 0006.06: Strengthening of SAPARD implementation capacity.
BG 0105.02: Strengthening the administrative capacity of the Rural Development Investments Directorate of MAF to implement chapter V of EC Regulation 1257 /1999 under the Twinning Light Facility.
UNDP project BUL/02/013/01/99: Sustainable Development of Rural Areas.
BG 0201.03: Support to the pre-accession strategy of Ministry of Agriculture and Forestry and Ministry of Environment and Waters in the field of Agri-environment

More detailed information is included in Annex 5.

Sub-project 2
Relevant PHARE projects in this field that have already been implemented or are undergoing:
BG0201.02 / BG02/IB/AG-01 - Establishment of an Paying agency and preparation for setting up of IACS in Bulgaria - Phase 1 – due to start in September 2003 with the arrival of the twinning experts
BG0201.02 - Establishment of an Paying agency and preparation for setting up of IACS in Bulgaria - phase 2
BG0006.06 – Strengthening SAPARD Implementation Capacity
BG9103-04 Technical Assistance to the Agricultural Marketing Information System
Animal Identification

The development of the Animal Identification and Movement Control Scheme for Bulgaria is an ongoing activity, benefiting from technical assistance and supplies through the Phare programme. The database for the animal identification is EUROVET, and is managed by the National Veterinary Services. It has been developed and installed, and is now accessible from all regional offices (the regional data entry offices - DEOs). The database is completed with the input of static data such as the names and addresses of the farms, holdings, veterinary establishments, and the ear tag allocation. The use of the database by the staff of the veterinary services is ongoing very well and there has been no technical problem. Marking of cattle is nearly completed, and is ongoing for goats and sheep and pigs. A GIS interface will allow to georeference the database. It will serve more particularly for animal movement control, and contingency plans in case of disease outbreak. The technical system has been set-up and established, and ear tagging is ongoing. It is expected that all the cattle in Bulgaria will be ear tagged by early 2004.

Land Parcel Identification

The development of the land parcel registry is ongoing, supported by the Phare programme. It is still in its early stages of developing the IT systems, supplying the software and hardware, and staff training. The training of the users is due to start in the spring of 2003. The system will use a GIS to have a georeferenced database. The data from the Land Parcel identification Data Base will have the possibility of being exported to the IACS and aid Data base, and overlaid over remote sensing images using a GIS interface. This will allow to check the areas and cultures, probably using a specialised sub-contractor for access to the remote sensing data and the photointerpretation. The controls will concern checks on area size and land cover/cultures. The IACS will be immediately informed of potential corrections to the Animal and Parcels data bases. Similarly, it will be able to inform the managers of the other two databases of potential apparent irregularities (see Institutional Arrangements).

Farmer registration

The development of a farmer registry is necessary as a general tool for the management of the sector, and particularly relevant to the IACS. As such, this is an activity that the SFA and the Paying Agency consider as a priority. It is expected that the farmer registry be fully compatible with the other databases developed for the IACS.
3.6 Lessons learned:

Sub-project 1

The proposed project will build on the positive experience and results achieved from the implementation of the linked projects under paragraph 3.2.

The Twinning with the Greek Ministry of Agriculture contributed to the successful programming of the NARDP under SAPARD, and to the preparation of the measures in the programme complement, based on the partnership principle.

The Dobrich pilot project tested the implementation of SAPARD and provided valuable insights to possible problems in implementing SAPARD in Bulgaria.

The project for detailed preparation of some SAPARD measures contributed to the successful amendments to NARDP completed in year 2002.

The project for strengthening the SAPARD implementation capacity will contribute to better monitoring of the measures under SAPARD, and to the preparation for the SAPARD annual report.

The results from the Mid-term evaluation of SAPARD implementation in Bulgaria will provide necessary information for adjusting the SAPARD Programme so that its overall goals are better fulfilled – this will be a valuable exercise also with respect to RDID duties in the next programming period.

Sub-project 2

Special attention will be given to the development of the legal framework, to avoid too numerous modifications to it. This will concern Phase 1 on which Phase 2 and Phase 3 will be built. In particular, when designing the central IACS software, particular care will be given to allow easy subsequent upgrading according to the changing needs of the system.

Public campaigns for the farmers, to help them fill in correctly the information, will be developed.

Appropriate information sharing between the institutions in charge of the different databases (animal and parcel). It is important, since all three databases are managed by different agencies, that these are appropriately coordinated and that arrangements exist to develop an integrated database. In particular, discrepancies should be immediately shared between all partners.

Close follow-up on similar activities implemented in the 10 candidate countries will allow to develop the experience of the Paying Agency.

The SFA benefited from a previous TA under Phare 2000 (BG0006.06). The assistance prepared useful training materials.

4 Institutional Framework

Sub-project 1

The Rural Development and Investment Directorate at the Ministry of Agriculture and Forestry (MAF) was established as a SAPARD Task Force at the end of 1998, in order to prepare Bulgaria for the implementation of SAPARD.

According to the new structure of MAF (Regulation No 104 of Council of Ministers), in force since 08 May 2001, the Rural Development and Investment Directorate consists of 26 full time experts. The
Directorate has three departments: the SAPARD Department, the Investments in Rural Areas Department, and the Agri-environment Department.

The SAPARD Department was responsible for the preparation of the Bulgarian National Agriculture and Rural Development Plan (2000 – 2007), approved by the EC on 13 September 2000 and endorsed on 20 October 2000. After the preparation and the approval by EC of the National Agriculture and Rural Development Plan, the SAPARD Department acts as Secretariat of the SAPARD Monitoring Committee. In relation to this the main functions of the SAPARD Department are: preparation of the materials for the regular MC meetings (monitoring reports, analysis of programme implementation, proposals for Programme amendments) and preparation of the respective changes in the implementation ordinances to facilitate programme implementation. The Department also provides technical back-up of the Permanent Working Groups established under the Monitoring Committee for each measure. Branch organizations, relevant NGO’s and related ministries are presented in the MC permanent working groups, where the SAPARD Programme implementation is discussed. The SAPARD Department is also responsible for the organization of the SAPARD mid-term evaluation (tender dossier preparation, procurement, administration and technical support, etc.), and of the SAPARD Annual Reports.

The main functions of the Investment in Rural Areas Department are: formulation of the policy for the development of the less developed rural areas; harmonization of the legislation in the field of the rural areas to the EU legislation, and activities for its implementation; coordination of the activities of NGOs working in the area of rural development, support of the local rural administrations and preparation of integrated rural development plans.

The main responsibilities of the Agri-environment Department include: development of agri-environment programmes and related legislation; advice on harmonization of other relevant national legislation with the Community acquis; liaison with European commission and other international organizations in the framework of agri-environmental policy; development of administrative matrix for agri-environmental programme implementation; training and information; monitoring and control; elaboration of agri-environmental budget proposals; management of the technical assistance projects in the field of agriculture; management of the technical support for implementation of agri-environmental programme.

By December 31, 2005, the organizational statutes of the Ministry of Agriculture and Forestry will be modified to supplement the respective responsibilities of RDID. In relation to the future functions of the Directorate its staff will reach approximately 50 people. New employees will be hired and trained to fulfill these tasks, based on the analysis that should be performed under this project. Staff responsibilities, operational manuals and job descriptions will be further elaborated on the basis of the results from this Phare project.

State Fund Agriculture, being a successful instrument for Government support to agriculture was accredited on 15th of May 2001 to function as the SAPARD Agency in Bulgaria. The administrative structure of the Agency at the central level consists of three main departments – Implementation department, Financial department and Internal audit department. The Agency has 28 regional offices working for the implementation of the SAPARD measures, and six district measures operational units (working on the project payment). The SAPARD Agency has been granted conferral of management for 10 measures (out of the 12 included) under SAPARD in Bulgaria.

The National Agency for Fisheries and Aquaculture (NAFA) to the Minister of Agriculture and Forestry is the main administrative structure, responsible for the implementation of the fisheries legislation. It has 6 Regional Fisheries Inspectorates. NAFA performs activities concerning the conservation and reproduction of fish resources, control on the implementation of the fishing activities in the inland water basins, the Bulgarian coastal zone in the Black Sea and the Danube river (control on fishing activities, issuing of fishing licenses, maintenance of the fishing vessels register, collection and processing of fisheries statistics). NAFA will implement on its own some of the requirements of the EU CFP, and the rest in cooperation with other administrative institutions as specified in detail in Chapter 8. On the basis of existing or pending
agreements with these institutions, NAFA will introduce additional measures to improve the control system and the coordination among the administrative structures concerned, with a view of the effective implementation of the CFP.

The Agristatistics department within MAF and the National Statistical Institute will be involved in the establishment of the rural areas database with statistical information on the major socio-economic characteristics of these areas. The database will provide up-to-date information, that can be used for the purposes of programming as well as monitoring and evaluation of program implementation.

The Regional offices of MAF and NAFA, certain Local government units (municipality and district authorities), and/or other institutions and NGOs may also be actively involved in any of the programme stages; the concrete decisions to do so will be based on the analysis and recommendations made under this project.

Sub-project 2

State Fund Agriculture /SFA/ is established in compliance with the Farmer Support Act as a legal entity with independent budget and regular sources of financing. SFA policy ensures preferential financing in agriculture, especially for investments in agriculture, market orientated agriculture production, development of private agricultural holdings and organizations, setting up of animal breeding farms and purchase of pure-bred animals.

State Fund Agriculture provides financial support for agriculture producers by means of subsidies, short – term and investment credits, financing of bank loans interests, guarantees, etc.

The existing SFA incorporates the units implementing the national schemes for support of agricultural producers and the newly accredited SAPARD Agency.

As of January 2004, State Fund Agriculture has 480 full time employees working at central regional and district levels. The administrative and organisational structure of the Fund is as follows: a Management Board, comprised by 9 members, a Chief Executive Director and three Deputy Executive Directors, Selection Committee, Operational Department, Financial Department, Investment Credits Department, Short-term National Schemes, Accounting Department, Internal Audit Department, Legal Department, Administrative department and IT Department. There are 28 regional offices in the administrative centers of Bulgaria (NUTS 3 level) and 6 District Offices (in Sofia, Plovdiv, Yambol, Varna, Pleven and Montana).

During the year 2000 State Fund Agriculture worked towards meeting the accreditation requirements of the European Commission to become a SAPARD agency. The accreditation timetable was completed by the issue of the National Act of Accreditation by the competent authority. The Commission decision for the conferral of management of aid was issued on 15 May 2001. This verifies that that the SFA has met the key accreditation requirements, described in CR 1258, CR 1663, CR 2222 and the Multiannual Financing Agreement.

The implementation of IACS by SFA requires the cooperation of other institutions which are the managers of the other databases which shall provide the input data for IACS. These are the National Veterinary Service (NVS) for the animal identification and the Land Cadastre for the Land parcel Identification, MAF for the farmer register. It is important that all technical aspects related to the use of the databases (which data are accessible, secure that data sharing is according to law on protection of private information, defining who is entitled to make changes and modification on the databases, etc) are clearly specified. For this purpose, a good collaboration between all institutions involved shall be guaranteed. Similarly, a technical committee with representatives of all institutions concerned will be created by order of the Minister of agriculture, to address any issue (discrepancies between the databases, action on erroneous data, compatibility, dynamic database management, etc), and report to their respective Directors (NVS, PA, LC). Since these coordination activities are dependent on the geography of the IACS system, they will be fully developed during Phase 1 (starting April 2004) in order to fully benefit from the twinnings, interact with the developers of the software, and avoid costly iterations.

It is evident though that the beneficiary of the intervention described in this fiche is the Paying Agency. In particular, all the supplies foreseen will serve to equip its HQ, Regional Offices including field inspectors.
5  Detailed Budget

<table>
<thead>
<tr>
<th>Year 1/Phase 1</th>
<th>Phare support</th>
<th>National Co-Financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment support</td>
<td>Institution building</td>
<td>Total Phare</td>
<td></td>
</tr>
<tr>
<td>Contract 1 TC</td>
<td>883,500</td>
<td>883,500</td>
<td>*</td>
<td>883,500</td>
</tr>
<tr>
<td>Contract 2 TA</td>
<td>869,500</td>
<td>869,500</td>
<td></td>
<td>869,500</td>
</tr>
<tr>
<td>Contract 3 TA</td>
<td>154,000</td>
<td>154,000</td>
<td></td>
<td>154,000</td>
</tr>
<tr>
<td>Contract 4.1 Supp</td>
<td>150,000</td>
<td>150,000</td>
<td>50,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Contract 4.2 Supp</td>
<td>2,013,150</td>
<td>2,013,150</td>
<td>671,050</td>
<td>2,684,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,163,150</td>
<td>1,907,000</td>
<td>4,070,150</td>
<td>721,050</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 2/Phase 2</th>
<th>Investment support</th>
<th>Institution building</th>
<th>Total Phare</th>
<th>National Co-Financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 5 TA</td>
<td>858,000</td>
<td>858,000</td>
<td></td>
<td></td>
<td></td>
<td>858,000</td>
</tr>
<tr>
<td>Contract 6 Supp</td>
<td>1,309,500</td>
<td>1,309,500</td>
<td>436,500</td>
<td></td>
<td></td>
<td>1,746,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,309,500</td>
<td>858,000</td>
<td>2,167,500</td>
<td>436,500</td>
<td></td>
<td>2,604,000</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>3,472,650</td>
<td>2,765,000</td>
<td>6,237,650</td>
<td>1,157,550</td>
<td></td>
<td>7,395,200</td>
</tr>
</tbody>
</table>

The Phare contribution for investment costs will be no more than 75% of eligible public expenditure, the balance having to be covered by the national co-financing. The national co-financing will be provided by the National Fund Directorate at the Ministry of Finance. All operational and running costs and the maintenance of the equipment will be provided by the final beneficiaries.

* Note: National co-financing up to 10% of the TC budget will be provided by the National Fund Directorate, Ministry of Finance.

The Phare contribution for the equipment will be no more than 75% of its costs, the balance having to be covered by the national co-financing. The national co-financing will be provided by the National Fund Directorate at the Ministry of Finance. All running costs and the maintenance of the equipment will be provided by the Bulgarian authorities.

6  Implementation Arrangements

6.1 Implementing Agency

Implementing Agency

The CFCU (Ministry of Finance) will be the Contracting Authority responsible for tendering, contracting, payments and financial reporting and will work with close co-operation with the beneficiary. The Secretary General of Ministry of Finance will act as PAO of the project. His contact details are:

**Secretary General of Ministry of Finance and PAO**
Address: 102 Rakovski Str.
1040 Sofia
Tel: 359 2 985 927 72
Fax: 359 2 985 927 73
E-mail: cfcu@minfin.bg

The PIU at the Ministry of Agriculture and Forestry will be responsible for monitoring of project implementation and coordination of the activities at all stages of the project cycle. Contact details of the PIU:

**Head of Phare Department**
Ministry of Agriculture and Forestry
Address: 55 Hristo Botev blvd.
1040 Sofia, Bulgaria
Tel: 359 2 981 6163
Fax: 359 2 981 75 42
e-mail: demina@phare-agr.orbitel.bg
Sub-project 1

The beneficiary will be the Rural Development Directorate at MAF, which will be responsible for the technical part of the project. Beneficiary contact point:
Director of the, Rural Development Directorate
Ministry of Agriculture and Forestry
55, Christo Botev Blvd.
1040 Sofia, Bulgaria
Phone: +359 2 98511 410
Fax: +359 2 981 94 23
E-mail: mira@mzgar.government.bg

Sub-project 2

The beneficiary will be the State Fund for Agriculture, which will be responsible for the technical part of the project in terms of design.

Beneficiary contact point:
Name: Deputy Executive Director of State Fund Agriculture
Address: # 136 Tsar Boris III blvd.
Sofia 1618, Bulgaria
Tel.: 359 2 8187 228
Fax: 359 2 8187 268
e-mail: vkaramishev@dfz.bg

The Steering Committee, overseeing the project implementation and securing exchange of information between the major stakeholders, has representatives of the following institutions:
- The Contracting authority
- The EC Delegation
- MAF - Directorate European Integration
- The Beneficiary
- The Contractor

6.2 Twinning

Sub-project 1

A twinning project is envisaged for exchange of experience and know-how with a member state for a period of 24 months.

The project will include a member state project leader who continues to work in his/her member state administration but who devotes some of his/her time to conceiving, supervising and coordinating the overall implementation of the project. He/She will be assisted by at least one full-time expert known as a pre-accession adviser from a member state who will work on a day-to-day basis with the beneficiary.

Pre-accession adviser profile:
- Experience in implementation of EU Agriculture and Forestry legislation;
- Fluency in English;
- Relevant education in the area of agriculture and forestry.

6.3 Non-standard aspects

Practical Guide to contract procedures financed from the General Budget of the European Communities in the context of external actions and Twinning Manuals will be applied.
6.4 Contracts

The projects will be implemented through six contracts:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Twinning Covenant</td>
<td>883.500</td>
</tr>
<tr>
<td>2</td>
<td>Technical Assistance</td>
<td>869.500</td>
</tr>
<tr>
<td>3</td>
<td>Service contract for ex-ante evaluation[s]</td>
<td>154.000</td>
</tr>
<tr>
<td>4.1</td>
<td>Supply contract</td>
<td>200.000</td>
</tr>
<tr>
<td>4.2</td>
<td></td>
<td>2.684.200</td>
</tr>
<tr>
<td>5</td>
<td>Technical assistance</td>
<td>858.000</td>
</tr>
<tr>
<td>6</td>
<td>Supplies</td>
<td>1.746.000</td>
</tr>
</tbody>
</table>

Contract 3 on ex-ante evaluation is justified by the fact that the ex-ante evaluation[s] has to be done by independent evaluators, i.e. experts, who have no direct link to the institutions, services, or experts, that have worked on the preparation of the programming documents. This is an underlying concept of the RDP evaluations and might call for the employ [through the overall TA component] of different teams of “outside” experts: first, for the programming effort, then, for the evaluation[s].

7. Implementation Schedule

(Obligatory for Year 1, optional for subsequent years)

Twinning contract 1
Start of tendering/call for proposals
July 2004

Start of project activity:
January 2005

Project completion:
January 2007

Technical assistance contract 2
Start of tendering/call for proposals
November 2004

Start of project activity:
June 2005

Project completion:
January 2007

Technical assistance contract 3
Start of tendering/call for proposals
January 2005

Start of project activity:
October 2005

Project completion:
April 2006

Supplies contracts 4
Start of tendering/call for proposals
January 2005

Start of project activity:
August 2005

Project completion:
October 2005

8. Equal Opportunity

All participating Bulgarian institutions are equal opportunity employers. No discrimination of whatever nature will be applied.

9. Environment

The supplies will be delivered into existing premises. No environmental impact is expected and the supply of equipment falls does not require any sort of environmental assessment. The specifications will take into account the respective standards and norms applicable for IT systems.

10. Rates of return
Not applicable

11. Investment criteria
   11.1 Catalytic effect: NA
   11.2 Co-financing:
       The national co-financing is 25% for the investment component of the project, and up to 10% for the twining component.
   11.3 Additionality: NA
   11.4 Project readiness and size:
       The ToR and the technical specification will be ready by the date of the start of the tendering procedure.
   11.5 Sustainability:
       Sustainability of project results is assured through the operation of the Paying Agency,
       which is funded from national resources.
       All supported investment actions (including supply) are sustainable in the long term beyond the date of Accession. They will comply with the EU norm and standards (accredited), and will be coherent with the sector policies of the EU. Future maintenance, IT developing and operation costs will be covered by the Bulgarian national budget.
   11.6 Compliance with state aids provisions NA
   11.7 Contribution to NDP and/or Structural Funds Development Plan/SPD NA

12 Conditionality and sequencing

In general, beneficiaries of supply contracts have to prepare business plans – according to a standard format that will be obtained from the Ministry – to demonstrate the impact of the equipment (running, maintenance and operations costs) on their yearly budget.

In particular, the Delegation will not give any prior approval to contracts or procedures if satisfactory conditions related to installation, use, maintenance and operations budgets are not met, meaning that M&O budgets, premises, installations (electricity, heating or air conditioning, etc) must be available or – for budgets – committed. This includes the existence of the legal basis for the activities to be performed with the procured equipment: the beneficiary must be empowered with a public service activity that
specifically requires the equipment procured. Should the legal basis be absent (either because there have been changes during the lead time to procurement removing this role, or because there have not been the introduction of the law) then no endorsement can be given for any contract. In some cases, supplies have been included in past projects for the same beneficiaries. Should this equipment procured in the past not be used (e.g. still packed), or should past commitments taken by the local authorities related to past supplies or programmes not be fulfilled, the Delegation reserves itself the right not to endorse contracts listed in this fiche.

**Sub-project 1**
The two key conditionalities that have to be met to ensure maximum use of the project potential are: 1) narrowing down of the menu of measures [29 rural development measures + 13 fishery measures] that will have to be covered by the project training/exchange of experience, so that the latter can be duly focused. This “narrowing-down” will be done by RDID/NAFA after the successful conclusion of chapter 7 negotiations in mid-2004. 2) the planned organizational changes in the institutions involved in the project, especially the expansion of RDID as of January 1st, 2005, must precede or at least coincide with the “inception” phase of the project, so that it could be used to thoroughly train the right numbers of the “right” experts, who would be involved with the post-accession RDP[s].

The key sequencing stages have been pre-conditioned by MAF/RDID engagements along its preparation for the post-accession RDP[s]: a) firstly, the twinning partners shall delimit, at short notice, the scope, forms, schedule of training/exchange of experience, resulting in a detailed institutional {staff} development plan; b) secondly, this plan, alongside the technical assistance element [sought to help with “field” sector work], shall be put into operation to aid the RDID efforts in the preparation/programming of RDP[s]. This must be done in a coherent and coordinated manner. The stage would end with the prepared program document[s] and the required ex-ante evaluations. The tenets of the monitoring and evaluation systems and partnership procedures under the RDP[s] would be set up in this stage c) thirdly, all hitherto accumulated practical experiences – in RDP programming, partnership, development of monitoring/regional statistic data systems – shall be finalized and “coded” into written procedures and manuals to guide the work of the administration throughout the next programming period [i.e. in the following 5-7 years].

**Sub-project 2**
As a general condition, the TS for the supply contract will be prepared by the Agency as a result from Phare 2003 project. The two projects are connected and the successful and timely implementation of Phare 2002 and Phare 2003 is an assumption for successful start of the projects under 2004 and subsequently 2005.

Other conditionalities:

1. Availability of staff of SFA. Strong commitment by the SFA has been confirmed, in particular the staff hiring program must be implemented otherwise there will be no new staff to train or to equip.
2. The national budget provides the necessary funds to cover the administrative costs to operate the Paying agency.
3. Availability of resources from the national budget to recruit new staff due to the expected amount of work and increasing responsibilities.
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
4. List of relevant Laws and Regulations
5. Linked activities
6. Monitoring system overall description
7. Details of supply contracts
8. Acronyms
## ANNEX 1 PHARE LOG FRAME

For Sub-project 1 **Preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the second pillar of the EU Common Agricultural Policy – Rural Development**

<table>
<thead>
<tr>
<th>Overall goal to which the project contributes</th>
<th>Indicators that the overall goal has been achieved</th>
<th>Sources of information</th>
<th>Important assumptions</th>
</tr>
</thead>
</table>
| Preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the second pillar of the EU Common Agricultural Policy – Rural Development, and establish its Paying agency and prepare the setting up of IACS in Bulgaria - phase 3 | Bulgaria joins the EU in 2007  
Chapters 7 and 8 closed by 2007 | | |

### Project purpose

**OVI**

Strengthened administrative capacity of Rural Development and Investment Directorate (RDID) within the Ministry of Agriculture and Forestry in programming, implementing, monitoring, control and evaluation of rural development programmes

- RD measures defined and adopted by 2007
- Implementation mechanisms developed and approved by EC by 2007
- Indicator system developed, regional statistic database developed and regularly updated through connection with the MAF Agristatistics department and NSI;
- The Monitoring system is operational and compatible with the national monitoring system
- Approved programme documents.

**Sources of verification**

- decision[s] for approval of the Rural development plans by the relevant authorities [EC included]
- MAF statutes [RDID responsibilities & tasks modified accordingly]

### Results / Outputs

**OVI**

1. Identification of the additional administrative capacity needs/gaps in view of the implementation of additional measures under EAGGF and FIFG, currently not available under SAPARD;
2. Action plan for strengthening the RDID administrative capacity (including staffing needs and staff training) based on result 1;
3. Guidelines and methodology for programming, monitoring, control and evaluation of the programs, including procedures involvement of the socio-economic partners;

- Effective cooperation/communication between involved BG institutions exists
- Staff turnover limited/restricted

<table>
<thead>
<tr>
<th>Results / Outputs</th>
<th>Sources of verification</th>
<th>For achieving the project purpose:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detailed gap analysis presented by month 3 of project.</td>
<td>Minutes of the project Steering Committee</td>
<td></td>
</tr>
<tr>
<td>Action plan for administrative reorganisation and reinforcement of RDID adopted by mid project</td>
<td>- Activity reports on projects implementation</td>
<td></td>
</tr>
<tr>
<td>Selected partners considered that they are properly informed and involved by EoP in RD strategy implementation</td>
<td>- Certificates &amp; evaluation forms of training undergone</td>
<td></td>
</tr>
</tbody>
</table>
4. Rules of procedure for the RDID units [as Managing Authority] based on their responsibilities and operational manual for its staff (including relationships with other involved institutions);  
Rules adopted by end of year 1

5. Rules of procedure for the Monitoring Committees and operational manual for their secretariats;  
Responsibilities and tasks approved by MoA by End of Project (EoP)

6. Definition of the core responsibilities and tasks of the RDP implementing agency ["intermediate body"] in accordance to the specificity of the RDP [based on a review of the absorption capacity, achieved under SAPARD and of the possible need for improvements];  
Responsibilities and tasks approved by MoA by End of Project (EoP)

7. Trained RDID staff in view of its responsibilities and duties and MAF staff which will be included in programming process;  
Trained staff provides positive evaluation on training seminars  
No tendering mishaps encountered after training  
Measures and programme approved by MoA by EoP

8. Detailed measure elaboration and programme complement preparation

Below: TA

9. Sector analysis prepared  
Analysis approved by MoA by EoP

10. Operational monitoring system updated  
New set of monitoring & evaluation indicators for new RD measures approved by MoA by mid-project  
New monitoring database developed and approved by RDID by mid-project  
RDID staff do not express major dissatisfaction with use of DB until EoP  
MoA expresses that it receives required information from DB developed by EoP  
New regional statistics database developed and approved by RDID by mid-project  
RDID staff do not express major dissatisfaction with use of DB until EoP  
MoA expresses that it receives required information from DB developed by EoP  
Evaluations results approved by MoA by EoP

11. Operational regional statistics database (information system/data base on rural areas);  

12. Ex-ante evaluation of the programme[s].  

13. Equipment supplied and local net developed.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means and costs</th>
<th>Reporting</th>
<th>for carrying out the activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Vertical review of current system</td>
<td>3 weeks</td>
<td>Activity reports</td>
<td>Substantial number of would-be partners from MS express interest in twinning, so that the</td>
</tr>
<tr>
<td>1.2 Review possible/set measures in new regulation</td>
<td>2 weeks</td>
<td>Tender dossiers</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1.3 Gap analysis – recommendations 3 weeks

2.1 Action plan based on R1, including job description, and planning for job creation 3 weeks

3.1 Prepare guidelines and methodology
- selection and adaptation of guidelines from MS – short list measure 4 weeks
- partner identification + communication strategy 4 weeks
- communication skills training: 70 persons 1 week preparation+ 5 weeks seminars
2 trips to Greece: one for new specific measures LEADER type to visit existing local action groups+ approved projects+ project selection+ fund application: 50 persons 5 days (2 weeks twinners)
Second trip for most important socio economic partners to Athens check control, partnership for rural development, 50 persons 5 days(2 weeks twinners)
300 days of trip*113=60000+lump sum of 20000
- local training manuals: needs assessment + preparation 6 weeks
  - strategy formulation (ToT): 50) 2 weeks
  - selection of projects (ToT): 50 2 weeks
  - cascade training: 25 (groups of 2 trainers*4 sessions*15 to 20-responsibility of RDID not of twinners
Trip to Poland 7 persons 5 days for temporary specific measures 2 weeks

4.1- institutogram + type documents regulating relations + drafting documents (including operational manual/job description for staff) 15 weeks

5.1 Draft rules of procedure for the Monitoring Committees and operational manual for their secretariats 7 weeks

6.1 Definition of the core responsibilities and tasks of the RDP implementing agency ["intermediate body"] in accordance to the specificity of the RDP [based on a review of the absorption capacity, achieved under SAPARD and of the possible need for improvements] 15 weeks

7.1 Trip to MS for 12 people from RDID for 5 days 2 weeks
7.2 2 training seminars for 25 people each for 5 days monitoring and management duties 4 weeks
7.3 2 seminars for 10 people each for 5 days on internal evaluation and tendering procedures 4 weeks

Preconditions

- concluded contracts
- Expenditure documents
- Certificates for software/hardware supplied

selected partner institutions have relevant and ample experience in the fields concerned IT team contracted to help develop the monitoring/information system[s] has had previous experience with aid scheme Management information systems.
<table>
<thead>
<tr>
<th>Task Description</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure elaboration (winners+RDID+MC partners)</td>
<td>120 weeks (60 int expert and 60 local expert)</td>
</tr>
<tr>
<td>9.1 Based on pre-defined SWOT and analysis of situation, TA will contribute to the definition of the RD strategy (goals and objectives)</td>
<td>6 weeks</td>
</tr>
<tr>
<td>9.2 Sector analysis</td>
<td>120 weeks (60 int expert and 60 local expert)</td>
</tr>
<tr>
<td>10.1 Review of the current SAPARD monitoring and evaluation indicators</td>
<td>4 weeks (TA 0.75)</td>
</tr>
<tr>
<td>10.2 Define monitoring &amp; evaluation indicators covering new measures reflecting the deficiencies identified in SAPARD</td>
<td>12 weeks</td>
</tr>
<tr>
<td>10.3 Define expected values (results) of monitoring &amp; evaluation indicators</td>
<td></td>
</tr>
<tr>
<td>10.4 Review of current systems for collecting, processing and analysing SAPARD monitoring data</td>
<td>3 weeks</td>
</tr>
<tr>
<td>10.5 Define the necessary primary data about indicators</td>
<td>3 weeks</td>
</tr>
<tr>
<td>10.6 Set up monitoring data base system compatible with current system</td>
<td>12 weeks</td>
</tr>
<tr>
<td>10.7 Test monitoring data base software</td>
<td>8 weeks</td>
</tr>
<tr>
<td>10.8 Prepare manual about monitoring data base software</td>
<td>4 weeks</td>
</tr>
<tr>
<td>10.9 Training for RDID officers + regional officers of MAF/SFA + MC partners (4 seminars for 20 people 5 days each)</td>
<td>4 weeks</td>
</tr>
<tr>
<td>11.1 Review of the current regional statistics DB</td>
<td>3 weeks</td>
</tr>
<tr>
<td>11.2 Identification of the regional primary data</td>
<td>4 weeks</td>
</tr>
<tr>
<td>11.3 Set up regional data base system as a component of new monitoring DB system compatible with current regional DB of RDID, Agristatistics Directorate and National Statistics Institute</td>
<td>15 weeks</td>
</tr>
<tr>
<td>11.4 Test regional DB software</td>
<td>8 weeks</td>
</tr>
<tr>
<td>11.5 Prepare manuals about new software</td>
<td>4 weeks</td>
</tr>
<tr>
<td>11.6 Train RDID and regional offices (4 seminars for 20 people 5 days each)</td>
<td>4 weeks</td>
</tr>
<tr>
<td>12.1 Review of program documents/studies</td>
<td>4 weeks</td>
</tr>
<tr>
<td>12.2 Appraisal of RD intervention relevancy</td>
<td></td>
</tr>
<tr>
<td>12.3 Review of the efficiency of assistance delivery systems</td>
<td></td>
</tr>
<tr>
<td>12.4 Formulation of practical conclusions and recommendations</td>
<td></td>
</tr>
</tbody>
</table>
12.5. Study of RD intervention relevancy based on: the mid-term evaluation for the three “private” measures under SAPARD; on field survey for the remaining measures [not covered by SAPARD mid-term evaluation] including applicant/beneficiary sample questionnaire survey, structured on-site interviews, assessment discussions with social & economic partners involved with these measures; and on review of results from application of measures not covered by SAPARD in the rest of the EU that are included in the post-accession RD programme[s].

The study of RD relevancy shall follow the methodology of the EC’s guidelines (MEANS collection) and the practical experience gained under SAPARD evaluation.

<table>
<thead>
<tr>
<th>12.5.</th>
<th>Study of RD intervention relevancy</th>
<th>12 weeks</th>
</tr>
</thead>
</table>

12.6. Review of the efficiency of the assistance delivery systems: implementation and management, monitoring and evaluation, publicity and reporting.

<table>
<thead>
<tr>
<th>12.6.</th>
<th>Review of the efficiency</th>
<th>8 weeks</th>
</tr>
</thead>
</table>

12.7. Formulation of conclusions and practical recommendations to improve RD programme[s] documents (scope of assistance and assistance delivery/management mechanisms).

<table>
<thead>
<tr>
<th>12.7.</th>
<th>Formulation of conclusions</th>
<th>4 week</th>
</tr>
</thead>
</table>
**LOGICAL FRAMEWORK MATRIX FOR SUB-PROJECT 2:**

**ESTABLISHMENT OF PAYING AGENCY AND PREPARATION FOR SETTING UP OF IACS IN BULGARIA – PHASE 3**

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the second pillar of the EU Common Agricultural Policy – Rural Development, and establish its Paying agency and prepare the setting up of IACS in Bulgaria - phase 3 | • Bulgaria joins EU in 2007  
• Agricultural exports to the EU increased by 20% over 2005-2010.  
• Investment in the Bulgarian agricultural sector increases by 40% over 05-10.  
• Income earned in the agricultural sector increased by 5% over national average between 05-10.  
• The number of administrative staff per an effective farmer comparable with those in the EU. | • Statistics of the National Statistical Institute  
• Eurostat  
• Progress reports of the EU Commission | • Political stability |

<table>
<thead>
<tr>
<th>Project Purpose</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Equip and train the Paying Agency at the State Fund Agriculture in Bulgaria for the appropriate management of EAGGF and FIFG type of funds. | • Written reports;  
• A Paying agency set and prepared to operate with the IACS.  
• Commitments under NPAA fulfilled and deadlines met.  
• Most appropriate for Bulgaria CAP schemes completed for implementation.  
• Supplied equipment, installation and staff training;  
• Accreditation of the Paying agency for CAP, RD and FIFG measures;  
• Qualified local staff of the PA; | • Regular reports of the European Commission.  
• Periodical reports to the EU Delegation in Sofia, EU Commission and to policy-makers in the SFA and MAF. | • Availability of staff and adequate resources at SFA. |
### Results

- Review of existing training documents and development of additional ones in the light of recent CAP and Rural Development reform
- Training needs assessment
- Staff training strategy developed
- Staff training programme developed
- Training of trainers
- Training delivered to the whole staff of SFA/PA. Cascade training by SFA/PA staff
- PA agency procedures reviewed and upgraded to reflect results in definition of measures under contract 1.
- Information system of the PA reviewed and upgraded to reflect results in definition of measures under contract 1.
- Paying Agency and all regional offices equipped

### Objectively Verifiable Indicators

| PA manages without delay all foreseen funds by 2010  
5-10% of aid is field checked in 2010  
100% of automated controls in 2010 |
|---|

### Sources of Verification

- Annual progress reports for the European Commission
- Periodical reports to the EU Delegation in Sofia
- Quarterly and final reports on the TA project
- Reports of the Steering Committee on the project

### Assumptions

- Successful and timely implementation of Phare 2003

---

### Activities

1. Review measures adopted for rural development
2. Define impact of RD measures and CAP reforms on PA manuals and procedures
3. Upgrade manuals and procedures accordingly
4. Define impact of RD measures and CAP reforms on the IT system of the PA.
5. Prepare ToR for upgrading the IT system of the PA
6. Training needs assessment
7. Prepare a strategy for staff training
8. Preparation of training programme and of training materials
9. Training of the key and all available staff of the PA on the:
   a) Structure and functioning of a Paying and Intervention Agency
   b) IACS
   c) Implementation of Direct Payments
   d) Implementation of the Market Measures
   i) Intervention
   ii) Aid Schemes
   iii) Entitlements

### Means

| Contract for supply:  
- hardware  
- equipment  
- software |
|---|
| Contract for services  
○ TA |

### Sources of Verification

- Annual progress reports for the European Commission
- Periodical reports to the EU Delegation in Sofia
- Quarterly and final reports on the TA project
- Reports of the Steering Committee on the project

### Assumptions

- Compatibility of databasis for the land register, register of agricultural holdings, animal register and agricultural cadaster
iv) Export Subsidies  
e) Rural Development Measures  
f) FIFG Measures  
g) Using of GIS (and GPS), use of remote sensing images, photo interpretation for area calculation and land use definition.

10. Supply of software and equipment  
   Procure the standard software  
   Procure the hardware (IT and GPS)  
   Training  

<table>
<thead>
<tr>
<th>Preconditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Availability of staff of SFA. Strong commitment by the SFA has been confirmed.</td>
</tr>
<tr>
<td>▪ The national budget provides the necessary funds to cover the administrative costs to operate the Paying agency.</td>
</tr>
<tr>
<td>▪ Availability of resourses from the national budget to recruit new staff due to the expected amount of work and increasing responsibilities</td>
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</tbody>
</table>
**ANNEX 2 – DETAILED IMPLEMENTATION CHART**

*Project title:* Preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the second pillar of the EU Common Agricultural Policy – Rural Development, and establish its Paying agency and prepare the setting up of IACS in Bulgaria - phase 3

<table>
<thead>
<tr>
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<td>Contract 4 Supply</td>
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<td>Contract 5 TA</td>
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<td>Contract 6 Supplies</td>
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</tbody>
</table>

T - Tendering phase  
I - Implementing phase  
C - Contracting
**ANNEX 3: CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE**

*Project title:* Preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the second pillar of the EU Common Agricultural Policy – Rural Development, and establish its Paying agency and prepare the setting up of IACS in Bulgaria - phase 3

<table>
<thead>
<tr>
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</table>
ANNEX 4 RELEVANT LAWS AND REGULATIONS

- Council Regulation 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF)
- Council Regulation (EC) 1258/1999 of 17 May 1999 on the financing of the common agricultural policy
- Commission Notice to the member states of 14 April 2000 laying down guidelines for the Community initiative for rural development (Leader+);

- Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal
- Commission Regulation (EC) 2316/99 laying down detailed rules for the application of 1251/99 establishing a support system for the producers of certain arable crops
- Commission Regulation (EC) No 2342/99 laying down the detail rules for the application of 1254/99 on the common organisation of the market in beef and veal as regards premium schemes
- Council Regulation (EC) No 1259/1999 of 17 May 1999 establishing common rules for direct support schemes under the common agricultural policy

Financing and clearance of accounts procedures
• Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations


• Commission Regulation (EC) No 2390/99 of 25 October 1999 laying down detailed rules of the application of Regulation (EC) No 1663/95 as regards the form and content of the accounting information that the Member States must hold at the disposal of the Commission for the purposes of the clearance of the EAGGF Guarantee Section Accounts.

• Council Regulation (EC) No 296/96 of 16 February 1996 on data to be forwarded by the Member States and the monthly booking of expenditure financed under the Guarantee Section of the Agricultural Guidance and Guarantee Fund (EAGGF) and repealing Regulation No 2776/88.

• Commission Regulation (EC) No 438/2001 of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the management and control systems for assistance granted under the Structural Funds


• Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations.


• Council Regulation No 1260/1999 of 21 June 1999 laying down general provisions on the structural funds.


ANNEX 5 LINKED ACTIVITIES

BG9810-01: Special Preparatory Programme for the structural Funds in Bulgaria:

BG98/IB/SPP/03: Improvement of the efficiency of the SAPARD Task Force in MAF – Twinning with the Greek Ministry of Agriculture (0.46 MEURO, contracted):

The following main tasks were previewed for this project: Assistance to the preparation of the NARDP, legal, institutional and financial framework for a paying agency to implement SAPARD, Publicity strategy and mobilization for the implementation of the NARDP beneficiaries, technical and institutional framework and procedures for the implementation of specific measures of SAPARD, technical preparation of an integrated rural development project at rural areas level, identification of needs for effective, management, monitoring and evaluation of SAPARD. The project was for 11 months and the end of the project was 27 September 2000.

BG9810-01-01: Pilot Integrated Development Project in the Dobrich region implemented according to structural funds principles (1 MEURO, contracted). The main objective of the project is the practical testing of institutions and staff responsible for the implementation of SAPARD at national and local level. The project started 18 October 1999 and ended on 15 November 2001.

Sub-project “Support to the State Fund Agriculture to become the SAPARD Agency” (612,000 EURO, contracted through Addendum No.1 to Contract BG8910-01-01-0005): The overall objective of the project was to assist the State Fund Agriculture in reaching the criteria laid down by the European Commission to receive and manage SAPARD funds as an accredited SAPARD Agency. The project aimed at supporting SFA in their preparation for accreditation and provision of advice on operational matters and preparation for accreditation of the new measures after the Accreditation Decision of the EC.

BG9810-02-01 for preparation of detailed measures for the National Agriculture and Rural Development Plan under the SAPARD Programme in Bulgaria (650,000 EURO contracted). The overall objective of the project is to provide assistance in the development of measures from the NARDP: Improvement of vocational training, Setting up producers group, Development of environmentally friendly agricultural practices and activities, Management of water recourses, Technical assistance and a component “Processing and marketing of fishery products”. The team working under the project was responsible for the preparation of the sectorial studies in management of water resources and vocational training.

BG9810-01-02.03: SPP Technical assistance component for the preparation for the accreditation of SFA

The overall objective of the project is to assist Bulgaria applying and managing the new financing instruments ISPA and SAPARD. The project started 13th January 2000 and has 2 phases. The first one with duration of 6 months till September 2000 and the 2nd one till the end of the project. The main types of assistance are; preparation of the ex-ante evaluation of the NRDP, preparation of SAPARD Guidance Manual, SAPARD Project Development Guidebook, preparation specific measure to be implemented, training of Regional facilitators of SAPARD to prepare publicity campaign. An addendum for SFA has been signed under this project with main objective to assist the SFA in reaching the criteria laid down by the EC to receive and manage SAPARD funds as an accredited SAPARD Agency. The addendum will run for 12 months starting not later than end of June’2000. An equipment component (software and hardware) for not more than 150,000 EURO is previewed. Additional 50,000 Euro are earmarked for contracting of an audit company.

BG9810-01-01-009: “Provision of assistance to the internal audit department of SAPARD Agency (132,000 EURO)

Deloitte & Touch Ltd. Was contracted under the project to assist the Internal audit Unit of SAPARD Agency in execution of its functions during the first 10 months of 2001, including the first months of the post-accreditation period of SAPARD Agency, Bulgaria. Specific objectives range from assistance in day-to-day activities of the IAU, preparation of a long-term strategy to on-the-job training and advice to senior management.
SIGMA (OECD): Support for Improvement in Governance and Management in Central and Eastern European Countries. A joint initiative of OECD Centre for Co-operation with the Economies in Transition and the European Union PHARE Programme – are providing short-term assistance to the future SAPARD Agency towards helping its accreditation of new measures and providing ad-hoc advice on operational matters when needed.

BG 0006.06 Strengthening of SAPARD implementation capacity:
The duration of the project is 1 year. The overall objective of the project is the achievement of decentralization of the activities of the SAPARD agency. This means that the implementation of the project shall create reasonable assurance that district and regional offices of the SAPARD agency are adequately prepared to fulfil their operational responsibilities and this shall consequently eliminate the need for re-performance of tasks at the central level. The overall effect of this will be an improved administrative capacity for SAPARD implementation in Bulgaria, which includes decreasing of the time necessary for administrative procedures in all parts of the Agency.

BG 0105.02 “Strengthening the administrative capacity of the Rural Development Investments Directorate of MAF to implement chapter V of EC Regulation 1257/1999” under the Twinning Light Facility:
The overall objective of the project is the development of national policy for support of agricultural producers in less-favoured areas of Chapter V of EC Regulation 1257/1999 and strengthening the administrative capacity of the Rural Development Directorate of MAF to implement chapter V of EC Regulation 1257/1999.

UNDP project BUL/02/013/01/99 “Sustainable Development of Rural Areas”.
At the end of 2002 joint project between Ministry of Agriculture and Forestry and United Nations Development Programme – “Sustainable Development of Rural Areas” was signed.
The objective of the project is to enhance the sustainable development of rural areas in the regions of Pernik, Montana, Blagoevgrad, Kurdjali and Haskovo through support to participatory strategic planning and environmentally friendly job creation in eleven pilot municipalities.
The project will strengthen the capacity of the municipal authorities and the local farmers, land and forest owners, small and medium enterprises, non-governmental organisations, professional associations and cooperatives to become leaders of sustainable rural development through support to the constitution, training and operations of Local Leader Groups who would join the Community initiative for rural development (Leader+). The practical training of the local Leader groups in 2003 will be conducted through management of small-scale pilot projects in the eleven municipalities. Total budget of the project is 1 325 000 USD. Duration of the project is two years from 2003 to 2005.

BG 0201.03 Support to the pre-accession strategy of Ministry of Agriculture and Forestry and Ministry of Environment and Waters in the field of Agri-environment

Overall objective of the project:
Strengthen the capacity of the ministry of agriculture and forestry, its services and the regional environmental inspectorates of the MoEW to undertake the priorities for EU alignment and implement the reforms identified in the current accession partnership and NPAA in the field of agrienvironment and rural development

Contribute to the better management of natural resources and to multifunctional development of the rural areas

Specific objectives (1)
Assistance in the finalization of the harmonization of the Bulgarian legislation with the EU legislation and EU practice, according to the requirements of the Directives 91/676/EEC (Nitrate Directive) in the field of Good Agricultural Practice and assistance in the implementation of the Code for Good Agricultural Practice and Good Farming Practice.

Specific objectives (2)
Assistance in the harmonization of the Bulgarian legislation with the EU legislation and EU practice according to the requirements of the Directives 1257/99 and 445/2002 (agri-environment and rural development legislation)

Specific objectives (3)

Assistance in strengthening the agri-economic capacity to establish area related payment calculation methods regarding the agri-environmental schemes.

Assistance in setting up a monitoring and control system for Agri-environmental measures, the Code for Good Agricultural Practice and the Rural Development Measures according to the EU requirements

Specific objectives (4)

Assistance in getting practical experience in area management by practical implementation in a pilot area in Bulgaria.

Expected main results

- Codes of good agricultural practice developed and ratified
- Training manuals developed
- National agri-environmental programme detailed
- Methodology for agri-environmental calculations developed and tested
- Trained personnel
- Draft monitoring and control procedures and system developed
- Detailed action plan for the implementation of NAEP developed
- Pilot project implemented
Monitoring of progress shall be done on the basis of a system of financial & physical indicators set down in the programme documents. The evaluation of the three programmes shall be based on the specific programme intervention logic and on information for the above indicators [in accordance with the EC MEANS methodology]. Hence:

The Managing Authority must receive continually data from 2 sources:

**Paying Agency** – operational data on progress in implementation [in financial and physical terms] inclusive of data of economic performance of assisted entities/rural areas.

**Agri-statistics Directorate/National Statistics Institute** – similar [as above] cumulated/aggregated data on the economic development of [the entities] in the respective sectors countrywide/region-wide/municipality-wide and the socio-economic characteristics of the areas.

Thus, the Managing Authority will be able to take decisions on the basis of the 3 core analyses prescribed in the EC evaluation/monitoring guidelines – **temporal** comparison between the state of beneficiaries before and after assistance; **sectoral** comparison between the beneficiaries and the non-assisted entities; **spatial** comparison between entities/socio-economic developments throughout the various regions of the country.

At present, the data on operational progress is collected manually, and the relevant background data as per indicators/sectors and regions is not collected or is not in a usable format. **Thus, the project must help determine the sources/format/frequency of data collection required for the purposes of monitoring/evaluation, the institutional make-up and the IT products required so as to computerize data collection.**

The system architecture will involve the regional units of the Ministry of Agriculture and Forestry, with experts trained under the project to work with the monitoring data base software. These local experts will collect the needed primary data from the entities in the respective regions [through questionnaire surveys, interviews, on-site visits] load it into the data base and transmit it to HQs at the Rural Development and Investment Directorate, where the information on the various regions will be aggregated. Technical assistance support will be needed to help develop and test the monitoring software.

The monitoring indicators will be defined in order to fully cover the scope of the respective measure as well as to reflect the deficiencies encountered in SAPARD implementation monitoring and evaluation [especially, in terms of appropriate periodicity of collection, degree of data detail to correctly identify all financed investments under integrated projects, reporting of rejected, cancelled, sanctioned projects/expenditures, collection of data on sensitive sectors, etc.]. It has to be noted that the installation of a fully operational system will necessitate the full cooperation of the respective experienced RDID staff throughout the entire process of system development on a day-to-day basis. Previous experience with expatriate software developers with insufficient knowledge of farm assistance programs, who would work home-based, rather than on-site in Bulgaria, has proved unsatisfactory.

In addition, sector-wide/country-wide information will be sought from the regional statistics data base to be development in cooperation with the National statistics institute and the Agri-statistics directorate of MAF.

Finally, it must be noted that the foundations of the monitoring system are, in a sense, being laid out at present through the operation of the SAPARD monitoring and evaluation system. However, experience, so far, has shown that this [latter] system collects almost solely “in-house” data, while the project would seek to expand the “out-reach” of the system in terms of ability to monitor in parallel sectoral developments.
<table>
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<th>№</th>
<th>Type of equipment</th>
<th>quantity (nbrs.)</th>
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<tr>
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<td>Lap Top + Win XP + Norton Antivirus &amp; Utilities 2002</td>
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<td>10</td>
<td>Scanner A 4</td>
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<tr>
<td>12</td>
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<td>17</td>
<td>Network development</td>
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</table>
Summary needs analysis

At present the RDID has a colorful array of equipment, almost all of which has been left over to the directorate as a legacy from various donor projects, related to the SAPARD preparation efforts, dating back to 1998 in some cases. Due to the limited financial outlays of MAF for such equipment, very few pieces of new equipment enter the directorate annually. Thus, the array covers brand new pieces to pieces that have not been manufactured for a long time, but are still in use in RDID. Their servicing and frequent break-downs cost a lot. In addition, it MUST be noted that in the recent PHARE project “Strengthening the SAPARD implementation capacity” the component on the development of a durable monitoring software system achieved very patchy progress at best, as the software was developed by an ex-pat expert outside Bulgaria, and it turned out eventually that it could not be installed unless RDID got a new powerful computer to that purpose. Such a computer was bought but then no operational link could be established with the SFA, as the software was not well-suited and suffered from frequent black-outs.

Thus, if the IT monitoring & evaluation component of this project is to succeed and lead to meaningful long-term results, the software development MUST be done on-the-spot with the day-to-day cooperation of the parties involved in the system: RDID, SFA, [and their regional units]. Then, the system must be made COMPLETE with hardware configured so as to run the software without major deficiencies. This has been the reason for the inclusion of the purchase of hardware under this project, thus avoiding the risks to which the previously mentioned project was exposed.

It has to be noted that some of the items [i.e. 10-17] from the specification above are optional and are not linked to the monitoring and evaluation system. They, however, would help with the training and publicity efforts under the project, especially those concerning the Monitoring Committee members [social & economic partners], as evidenced by the experience, accumulated this far through successive SAPARD information campaigns throughout the country.
## INDICATIVE LIST OF EQUIPMENT – Contracts 4.2 and 6

### A. Contract 4.2

#### A. Regional offices (For 1 Office) Phase 1

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<td>Laser Printers A3</td>
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<tr>
<td>Laser Printers A4</td>
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<tr>
<td>Copy machine</td>
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<tr>
<td>Fax Laser</td>
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<tr>
<td>Mobile Phone +GPRS</td>
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<td>Scanner A3</td>
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<tr>
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<td>GIS - licenses 2</td>
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<td>GPS</td>
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To be multiplied by 10 to cover 10 regional offices

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<td>Licenses Oracle</td>
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<td>PC +software+ accessories (OS, MSOffice, Antivirus, Protection)</td>
<td>250</td>
</tr>
<tr>
<td>Portable PC +accessories (PC +software+communication+GPRS)</td>
<td>10</td>
</tr>
<tr>
<td>Pocket PC +accessories (PC +software+communication+GPRS)</td>
<td>10</td>
</tr>
<tr>
<td>Laser Printers A3</td>
<td>4</td>
</tr>
<tr>
<td>Laser Printers A4</td>
<td>15</td>
</tr>
<tr>
<td>Plotter (color, Large format)</td>
<td>1</td>
</tr>
<tr>
<td>Description of items</td>
<td>Amount for 1 office</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>PC + software + accessories (OS, MSOffice, Antivirus, Protection hard+soft)</td>
<td>6</td>
</tr>
<tr>
<td>Portable PC + accessories (PC + software + communication + GPRS)</td>
<td>1</td>
</tr>
<tr>
<td>Pocket PC + accessories (PC + software + communication + GPRS)</td>
<td>2</td>
</tr>
<tr>
<td>Laser Printers A3</td>
<td>1</td>
</tr>
<tr>
<td>Laser Printers A4</td>
<td>2</td>
</tr>
<tr>
<td>Copy machine</td>
<td>1</td>
</tr>
<tr>
<td>Fax Laser</td>
<td>1</td>
</tr>
<tr>
<td>Mobile Phone + GPRS</td>
<td>2</td>
</tr>
<tr>
<td>Scanner A3</td>
<td>1</td>
</tr>
<tr>
<td>Digital Video Camera/ Photo</td>
<td>1</td>
</tr>
<tr>
<td>Multimedia Projector</td>
<td>1</td>
</tr>
<tr>
<td>LAN + Wireless communication</td>
<td>1</td>
</tr>
<tr>
<td>GIS - licenses 1</td>
<td>1</td>
</tr>
<tr>
<td>GIS - licenses 2</td>
<td>2</td>
</tr>
<tr>
<td>GPS</td>
<td>2</td>
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</table>

B. Contract 6 - Additional Regional Offices

To be multiplied by 18 to equip 18 regional offices
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>NVS</td>
<td>National Veterinary service</td>
</tr>
<tr>
<td>CLVCE</td>
<td>Central Laboratory on Veterinary Control and Ecology</td>
</tr>
<tr>
<td>BVIPs</td>
<td>Border Veterinary Inspection Posts</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>HRM</td>
<td>High Risk Materials</td>
</tr>
<tr>
<td>SRM</td>
<td>Specific Risk Materials</td>
</tr>
<tr>
<td>TSE</td>
<td>Transmissible Spongiform Encephalopathy</td>
</tr>
<tr>
<td>GLP</td>
<td>Good Laboratory Practice</td>
</tr>
<tr>
<td>CLCPRNHMF</td>
<td>Central Laboratory for Control of Nitrates, Pesticides, Heavy metals and fertilizers.</td>
</tr>
<tr>
<td>CAP</td>
<td>Common Agricultural Policy</td>
</tr>
<tr>
<td>CFP</td>
<td>Common Fisheries Policy</td>
</tr>
<tr>
<td>ALIS</td>
<td>Agricultural Land Information System</td>
</tr>
<tr>
<td>MAF</td>
<td>Ministry of Agriculture and Forestry</td>
</tr>
<tr>
<td>IACS</td>
<td>Information Administrative Control System</td>
</tr>
<tr>
<td>MoEW</td>
<td>Ministry of Environment and Water</td>
</tr>
<tr>
<td>FADN</td>
<td>Farm Accountancy Data Network</td>
</tr>
<tr>
<td>ASNS</td>
<td>Agricultural Statistics Network System</td>
</tr>
<tr>
<td>NPAA</td>
<td>National Programme for the Adoption of the Aqcuis</td>
</tr>
<tr>
<td>CMO</td>
<td>Common Market Organizations</td>
</tr>
<tr>
<td>NVS</td>
<td>National Veterinary Service</td>
</tr>
<tr>
<td>ADNS</td>
<td>Animal Disease Notification System</td>
</tr>
<tr>
<td>NSPP</td>
<td>National Service for Plant Protection</td>
</tr>
<tr>
<td>HEIs</td>
<td>Hygiene Epidemiological Inspectorates</td>
</tr>
<tr>
<td>MoH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-government Organisation</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
<tr>
<td>NAFA</td>
<td>National Agency for Fisheries and Aquaculture ()</td>
</tr>
<tr>
<td>GDP</td>
<td>gross Domestic Product</td>
</tr>
<tr>
<td>FVMS</td>
<td>Fishing Vessels Monitoring System</td>
</tr>
<tr>
<td>IACS</td>
<td>Integrated Administrative and Control System</td>
</tr>
<tr>
<td>MH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>NAFA</td>
<td>National Agency for Fisheries and Aquaculture</td>
</tr>
<tr>
<td>PMU</td>
<td>Project Management Unit</td>
</tr>
<tr>
<td>PIU</td>
<td>Phare Implementing Unit</td>
</tr>
<tr>
<td>SPO</td>
<td>Senior Programme Officer (Project Management Unit)</td>
</tr>
<tr>
<td>PRAG</td>
<td>Practical Guide for Phare, Ispa and Sapard Contract Procedures</td>
</tr>
<tr>
<td>GPS</td>
<td>Global positioning System</td>
</tr>
<tr>
<td>GIS</td>
<td>Geographical Information System</td>
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</tbody>
</table>