Standard Summary Project Fiche for the Transition Facility

1. Basic Information
   1.1 CRIS Number: 2007/019-303.03.03
   1.2 Twinning light contract BG/07/IB/AG/03TL
   1.3 Title: Improvement of the administrative capacity of “Monitoring and coordination of Paying agency activities” Unit within Ministry of Agriculture and Food Supply (MAFS) to implement its functions in compliance with CR (EC) 1290/2005 and CR (EC) 885/2006
   1.4 Sector: Agriculture
   1.5 Location: Bulgaria, Ministry of Agriculture and Food Supply, “Monitoring and coordination of Paying agency activities” Unit (MCPAA Unit)

2. Objectives
   2.1 Overall Objective(s):

   To contribute to effective management of funds granted to Bulgaria under EAGF and EAFRD through achieving full compliance with CR (EC) 1290/2005 and CR (EC) 885/2006

   2.2 Project purpose:

   Improvement of the administrative capacity of “Monitoring and coordination of Paying agency activities” Unit within MAFS to perform its responsibilities related to audit, monitoring and coordination of the Paying agency activities

   2.3 Justification

   The “Monitoring and coordination of Paying agency activities” Unit (MCPAA Unit) is a newly established structure in MAFS. It has been created on 1 July 2006 in order to respond to the requirements of EC Bulgaria to have appropriate authority for performing the functions of certifying body in accordance with the CR 1290/2005 regulating the management of funds granted under the EAGF and EAFRD. The important role of the MCPAA Unit is due to the crucial functions vested in it, namely performing audit of the PA activities and accounts and issuing annual report for the certification of the PA accounts and for confirmation of the compliance of the PA with the accreditation criteria. Another important function of the unit is to monitor and control the PA activities in accordance with the provisions of CR 1290/2005 and CR 885/2006.

   To perform its functions with the required quality the MCPAA Unit must have sufficient number of qualified personnel. The officials in the Unit have to receive the relevant training in order to implement the acquis requirements with good level of professionalism and knowledgeable understanding.

   Although the functions of the certifying body were not covered by the Monitoring mission and resp. in the September Monitoring report, the proper establishment and functioning of the MCPAA Unit is vital for the implementation of the schemes and programmes financed under EAGF and EAFRD. Without a positive report certifying that the PA is compliant to the accreditation criteria and the accounts are true, fair and
complete, the EC will not give positive opinion on the annual clearance of accounts of the PA. This will lead to blocking of the use of the funds granted by the Community.

Currently the certification activities are contacted to external audit company and the first annual report for 2007 will be issued by the audit company.

3. Description

3.1 Background and justification:

The main functions of the MCPAA Unit are to perform audit of the PA activities and accounts and issue of annual report for the certification of the PA accounts and for confirmation of the compliance of the PA with the accreditation criteria; to monitor and control the PA activities in accordance with the provisions of CR 1290/2005 and CR 885/2006 and to support the Minister of Agriculture and Food Supply in the implementation of his responsibilities as Competent authority according to art. 1 (2) of Commission regulation (EC) 885/2006. /see also p. 2.3/

CR 885/2006 is laying down detailed rules for application of CR 1290/2005 as regards the accreditation of paying agencies and other bodies and the clearance of the accounts of the EAGF and of the EAFRD. In accordance with its provisions the Competent authority shall issuing and withdrawing the Paying agency’s accreditation on the basis of careful examination of the compliance of PA activities with the accreditation criteria.

Currently the Unit consists of 7 members of the staff. The capacity has been assessed by MAFS management as insufficient. As a result the Minister of agriculture has decided the number of the staff of MCPAA Unit to be increased up to 17. In order improve the qualification of the staff, MAFS undertook the following measures. A study visit under TAIEX has been organised for officials of MCPAA Unit in the Paying agency and the Certifying body of Lower Saxony, Germany. The visit was performed in February 2007. Another study visit for the Unit staff has been organised by UK Department for Environment, Food and Rural Affairs in March 2007. The officials visited the UK Coordinating body, the Rural Paying Agency for England and the National Audit office in its capacity of Certifying body.

The project aims to support the improvement of the administrative capacity of the MCPAA Unit and the performance of its functions in order to give the necessary reasonable assurance to the Competent authority for issuing PA accreditation. It will contribute to the establishment of good monitoring and control system over the absorption of the funds under EAGF and EAFRD.

The improved administrative capacity of the MCPAA Unit will allow the officials to:

- Perform audit of the PA in compliance with the internationally accepted audit standards;
- To monitor and control the PA activities for compliance with the accreditation criteria;
- To give recommendations for remedial actions to be undertaken in order to eliminate existing weaknesses and deviations from accreditation criteria and to follow-up their implementation;
- To monitor properly the financial information submitted to the EC by the PA;
- To report to EC for the results of the supervision activities performed indicating whether the PA continues to comply with the accreditation criteria.

3.2 Linked activities:
The following PHARE projects supported the process of establishing a Paying Agency and setting up of IACS in Bulgaria:

**BG 0201.02 _ Establishment of a Paying Agency and preparation for setting up of IACS in Bulgaria — phase 1**
The above-mentioned twinning project between Bulgaria, the Netherlands and Great Britain started on 1 April 2004 with the aim to assist the building up of the administrative capacity at State Fund Agriculture to become the single Paying Agency in Bulgaria. The two specific objectives of the project were establishment of an accredited PA and preparation of IACS and implementation of a pilot scheme.

**BG 2003/004/016-937.03.03 - Establishment of a Paying Agency and preparation for setting up of IACS in Bulgaria — phase 2**
The Phare 2003 aimed at the set-up of the operational structure of the agency with all paper based working procedures and documents. The project is in the final phase of implementation and includes delivery of hardware and development of software. The final version of IT software for the CAP schemes that are not based on IACS is ready.

**BG 2004/016 -711.03.01 – preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the Second Pillar of EU Common Agricultural Policy – Rural development and establish the Paying Agency and prepare the setting up of IACS in BG-phase 3 (Year 1)**

**BG 2005/017 -353.03.01 – preparation of the Bulgarian Ministry of Agriculture and Forestry to implement the Second Pillar of EU Common Agricultural Policy – Rural development and establish the Paying Agency and prepare the setting up of IACS in BG-phase 3 (Year 2)**
The Phare 2004 and 2005 interventions rely on the projects implemented under Phare 2002 (Phase I) and Phare 2003 (Phase II). 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. The hardware delivered under Phare 2003 project covered the needs of the Headquarters and several regional structures of the PA. The other regions (up to 28 regions) will receive the necessary equipment under the ongoing Phare 2004 project and the Phare 2005 project, taking advantage of the gradual build-up of experience and competence gained from the two initial phases. The TA under Phare 2005 aims at training of the personnel of the Paying agency for the support schemes of the EAGF, EAFRD and EFF and upgrading of the existing IT system and provision of related to this training.

TAIEX Reference IND/STUD: 23915, task 6908 “Improvement of the administrative capacity of “Monitoring and coordination of the activities of the Paying Agency” Department within the Republic of Bulgaria, Ministry of Agriculture and Forestry”

3.3 Results:

1. Revised staff need analysis and workload analysis with the objective to give an assessment of the MCPAA Unit performance and to make recommendations for its improvement;
2. Revised Procedures manual for the MCPAA Unit work organization and implementation;
3. Developed audit methodology related to the activities performed by MCPAA Unit;
4. At least 15 officials of MCPAA Unit trained to implement their activities in accordance with the legislation requirements;
5. At least 15 officials of MCPAA Unit acquainted with the best practices.
3.4 Activities:

The Twinning light project activities will encompass:

1. Preparation of Staff needs analysis report and issuing of recommendations
   1.1 Review of the current organization and staffing of MCPAA Unit with regard to its functions
   1.2 Staff need analysis
       /2 Short-term missions of 1 MS expert for 5 days each/

2. Preparation of Workload analysis report and issuing of recommendations
   2.1 Review of the current and future workload of MCPAA Unit with regard to its responsibilities
   2.2 Workload analysis
       /2 Short-term missions of 1 MS expert for 5 days each/

3. Preparation of Procedures manual for MCPAA Unit
       /2 Short-term missions of 2 MS experts for 5 days each/

4. Development of audit methodology related to the activities performed by MCPAA Unit
       /2 Short-term missions of 2 MS experts for 5 days each/

5. Training in audit for MCPAA Unit staff
   5.1 Organization of a seminar on basic audit theory and practice
       /1 Short-term mission of 2 MS experts for 5 days/
   5.2 Organization of 3 seminars on system, financial and IT audit
       /3 Short-term missions of 1 MS expert for 3 days each/

6. 1 study visit of MCPAA Unit staff in Member states organizations performing similar functions for exchange of experience and good practices.
       /1 study visit of 5 BG experts for 5 days/

The trained experts will write detailed reports on the trainings passed, including description of know-how achieved and will disseminate the gained knowledge to all laboratory staff through on the job trainings and presentations.

3.5 Lessons learned:

This project will be the first grant assistance for the MCPAA Unit as beneficiary of EC programme. During the implementation of the project all recommendations given as a result of the projects mentioned in p.3.2 will be taken into consideration. This will support the management of the Twinning light contract and the achievement of the indicated results under the project.

4. Institutional Framework

The “Monitoring and coordination of Paying agency activities” Unit within MAFS will be the beneficiary for the Twinning light project. The Unit is directly subordinated to the Minister of Agriculture and Food Supply.
The objective of the project is the officials in the Unit to receive sufficient training in order to perform their duties with the necessary professionalism and quality. Through the project an improvement of the staff qualifications is aimed to be reached. Another very important result from the project is to get practical knowledge and understanding of the procedures and of the way the activities of the MCPAA Unit have to be performed. As a result of the project the MCPAA Unit will dispose with developed methodology for implementation of its functions.

The “Monitoring and coordination of Paying agency activities” Unit (MCPAA Unit) within MAFS has been established with the adoption of the new Statutory act of the Ministry of agriculture and forestry on 13.06.2006, amended on 28.12.2006. Currently the Unit consists of 7 officials, but it is envisaged the number of staff to be increased up to 17 by October 2007.

The responsibilities of the MCPAA Unit are mentioned in detail in article 22, section VII of the Statutory act. According to these provisions MCPAA Unit:

- Is a specialized unit supporting the Minister of Agriculture and Food Supply to perform his functions as Competent authority according to art. 1 (2) of Commission regulation (EC) 885/2006;
- Supports the Minister as regards the implementation of the monitoring and control functions for compliance of the PA activities with the accreditation criteria;
- Performs audits of PA in compliance with the internationally accepted audit standards and taking into account all applicable guidelines approved by the EC;
- Gathers and analyses the information from all audit reports of the PA, issued by internal and external audit organizations, as well as the EC reports, and reports to the Minister on it;
- Proposes actions to be undertaken for elimination of existing weaknesses, deviations from accreditation criteria and monitors the implementation of the given recommendations;
- Reports to EC on the compliance of the PA with the accreditation criteria;
- Monitors the financial information submitted to the EC by the PA;
- Supports the Competent authority to perform coordination and control on the activities of the Managing authority for Rural development program;
- Supports the Competent authority to perform coordination and control on the activities of the Managing authority for Operative program “Fishery and aquaculture”;
- Participates in Steering Committees and expert groups organized by EC.

5. Detailed Budget

<table>
<thead>
<tr>
<th>€M</th>
<th>Transition Facility support</th>
<th>Co-financing</th>
<th>Total cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>National Public Funds (*)</td>
<td>Other Sources (**)</td>
</tr>
<tr>
<td>Contract 1</td>
<td>Twinning light</td>
<td>0.150</td>
<td>***</td>
</tr>
<tr>
<td>Total</td>
<td>0.150</td>
<td>0.150</td>
<td>***</td>
</tr>
</tbody>
</table>

(*) contributions from National, Regional, Local, Municipal authorities, FIs loans to public entities, funds from public enterprises. All the co-financing is joint co-financing and will be provided from the state budget. In the case
where the final overall cost is lower than foreseen in the project fiche, the national public and Transition Facility co-financing shall be reduced proportionally so as to maintain the agreed rate of co-financing. (**) private funds, FIs loans to private entities

Contributions from the Bulgarian administration for effective implementation of the twinning/twinning light/TA may be further detailed in the twinning contract/terms of references.
To ensure smooth implementation of the project, the beneficiary will provide adequately equipped office space with telephone, PC (Internet) and fax. Photocopier and access to the necessary information as well as secretarial support will be ensured during the project life-time. In addition the beneficiary will provide space and facilities for workshops (training), consultations and seminars. The national co-financing will be specified in the twinning contract.

(***) the national co-financing up to 10% will be ensured by the National Fund (Ministry of Finance)

6. Implementation Arrangements

6.1 Implementing Agency

The CFCU (Ministry of Finance) will be the Contracting Authority and in that capacity will issue and evaluate tenders, conclude contracts and authorize the treasury to make contractually related payments. The State Treasurer of Ministry of Finance will act as PAO of the project.

Contact details of PAO – Mrs. Gergana Beremska are:
State Treasurer of Ministry of Finance and PAO
Address: 102 Rakovski Str.
1040 Sofia
Tel.: (+ 359 2) 9859 24 90
Fax: (+ 359 2) 980 68 63
E-mail: g.beremska@minfin.bg

The PIU at the Ministry of Agriculture and Food Supply 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 - Mrs. Demina Bairaktarska:
Director of “European programs and projects” Directorate
Ministry of Agriculture and Food Supply
Address: 55 Hristo Botev blvd.
Sofia
Tel: 359 2 981 6163
Fax: 359 2 981 75 42
E-mail: demina@phare-agr.orbitel.bg

Contact details of the SPO:
Mr. Dimitar Peychev
Deputy Minister of Agriculture and Food Supply
Address: 55 Hristo Botev blvd.
Sofia
Tel: 359 2 98511 240
Fax: 359 2 980 87 06
E-mail: d.peychev@mzgar.government.bg

6.2 Twinning light

The Twinning Manual shall apply.

6.2.1 Beneficiary institution
Beneficiary of the project will be the “Monitoring and coordination of Paying agency activities” Unit (MCPAA Unit) within Ministry of Agriculture and Food Supply

6.2.2 Steering Committee
In order to control over the project the following Steering Committee meetings shall be held during the project implementation.

- Kick-off Meeting at the project’s start.
- Steering Committee during the 3rd month to discuss and approve the start-up report.
- Final Steering Committee to discuss and approve the final report.

The committee will include the SPO, the director of MCPAA Unit, the director of the PIU/MAFS, the executive director of the State Fund “Agriculture”, the project leaders of the twining partners and representative of NAC. Representatives of the CFCU will be invited as observers of the steering committee’s meetings.

6.2.3 BC Project Leader
Project leader: Sevinch Nuri – Acting Director of “Monitoring and coordination of Paying agency activities” Unit
Ministry of Agriculture and Food Supply
Address: 55 Hristo Botev blvd.
Sofia
Tel: 359 2 98511 239
Fax: 359 2 981 67 36
E-mail: s.nuri@mzgag.gov.bg

6.2.4 Experts profiles

Project Leader Profile
- Master’s degree in economics/ finance/law;
- Professional experience as internal audit for at least 10 years, preferably experience within a certifying body in a MS’ Paying Agency;
- EU Practice in examination (procedures and sampling) of EU - CAP-Financing and Management- and Control systems;
- Project management experience and good organizational skills;
- Ability to work in multidisciplinary and multilingual team;
- Fluency in both written and spoken English;
- Computer literate;
- Good reporting capabilities;
- Public servant.

The twining partner shall provide an adequate team of public sector short term experts, meeting the following requirements:
- Master’s degree in economics/ finance/law;
- Thorough knowledge of EU; examination (procedures and sampling) of EU-CAP-Financing and Management- and Control systems;
- At least 7 years practical experience in preparation of audit and financial statement for the EAGGF;
- Practical experience in examination of procedures and sampling of transactions for direct payments and payments on rural development;
- Excellent inter-personal communication skills;
- Initiative and co-operative attitude;
• Proven experience in lecturing; in drafting instruction manuals and other teaching aids;
• Excellent command in written/spoken English;
• Computer literate;
• Public servants.

The interested Member State institution shall include in their proposal the Curricula Vitae (in Phare format) for the proposed experts and the specific tasks to which they are related. The proposal shall contain the name of a designated Project Leader, who will be responsible for the coordination of Member states inputs.

6.2.5 Reporting

6.2.5.1 Content, official language, format and number of reports

The twinning light partners shall submit the following reports:

• A jointly drafted start-up report covering the first two months of the contract and submitted during the third month.
• A jointly drafted final report describing the project implementation, including detailed information on the results achieved, follow-up recommendations and any necessary corrective actions.

Reports will follow the templates of Annex C4 of the Common Twinning Manual.

In addition to these formal reporting stages, the Contractor is obliged to inform the Beneficiary, the Contracting Authority and the Monitoring bodies - Phare Implementation Unit within MAFS, in writing of any critical aspects or conditions of project implementation, or any amendments/modifications necessary within the budget.

All reports must be produced both in the English and in Bulgarian languages in electronic format and in four (4) hard copies. These reports shall be signed by both project leaders and shall be endorsed and countersigned by the beneficiary and contain additional comments (if any).

Each report must be presented in electronic format one week prior to the Steering Committee and in hard copies in the following addresses:

<table>
<thead>
<tr>
<th>Contracting Authority</th>
<th>Phare Implementation Unit at MAFS</th>
<th>Beneficiary MCPAA Unit</th>
<th>State Fund “Agriculture”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Lubomir Tushanov</td>
<td>Mrs. Demina Bairaktarska</td>
<td>Ms. Sevinch Nuri</td>
<td>Mr. Dimitar Tadarukov</td>
</tr>
<tr>
<td>CFCU Director,</td>
<td>Head of PIU at MAFS</td>
<td>Acting Director of MCPAA Unit at MAFS</td>
<td>Director of SFA/Paying Agency</td>
</tr>
<tr>
<td>Ministry of Finance</td>
<td>Address: # 55, Christo Botev Blvd., 1040 Sofia, Bulgaria</td>
<td>at MAFS</td>
<td>Address: # 136, Blvd.Tzar Boris, 1618 Sofia, Bulgaria</td>
</tr>
<tr>
<td>Address: # 102, Rakovsky Str., 1040 Sofia, Bulgaria</td>
<td>Email: <a href="mailto:demina@phare-agr.orbitel.bg">demina@phare-agr.orbitel.bg</a></td>
<td>Email: <a href="mailto:s.nuri@mzgar.government.bg">s.nuri@mzgar.government.bg</a></td>
<td>Email: <a href="mailto:dfz@dfz.bg">dfz@dfz.bg</a></td>
</tr>
</tbody>
</table>

The final versions of the reports should incorporate any comments and discussions during the Steering Committee meetings.
6.2.5.2 Translation & interpretation needs

The interested Member State institution shall include in their proposal the necessary budget for translation of the relevant documentation and interpretation needed.

Interpretation will be provided for Bulgarian experts during their visit to the Member State(s), as well as for the twinning light experts during their visits to Bulgaria to secure optimal communication.

6.2.5.3 Date of submission

The start-up report will be submitted in the third month after the signing of the contract.

The final report shall be submitted within one month after the completion of the project.

6.3 Non-standard aspects

N.A.

6.4 Contracts

Contract 1 Twinning light €150 000

The project will be implemented through one Twinning Light Contract estimated at 150 000 EUR. National co-financing up to 10% of the Transition Facility budget will be provided additionally by the National Fund Directorate, Ministry of Finance.

7 Implementation Schedule

7.2 Start of tendering/call for proposals

November 2007

7.3 Start of project activity

Start of project activities: March 2008
Project duration: 6 months

7.4 Project Completion

September 2008

7.5 Schedule and number of units (man-days) for the assignment

The indicative estimation of the experts’ man-days needed for the implementation of the foreseen activities is the following:

<table>
<thead>
<tr>
<th>Activities</th>
<th>Type</th>
<th>Man-days</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.1.</td>
<td>2 STE missions</td>
<td>10</td>
</tr>
<tr>
<td>A.1.1.</td>
<td>1 STE mission</td>
<td>5</td>
</tr>
<tr>
<td>A.1.2</td>
<td>1 STE mission</td>
<td>5</td>
</tr>
<tr>
<td>A.2.</td>
<td>2 STE missions</td>
<td>10</td>
</tr>
<tr>
<td>A.2.1.</td>
<td>1 STE mission</td>
<td>5</td>
</tr>
<tr>
<td>Activities</td>
<td>Months/man-days</td>
<td></td>
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<td>------------</td>
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<td></td>
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<tr>
<td>A.1.</td>
<td>10</td>
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<tr>
<td>A.1.1.</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>A.1.2.</td>
<td>5</td>
<td></td>
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<tr>
<td>A.2.</td>
<td>10</td>
<td></td>
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<tr>
<td>A.2.1.</td>
<td>5</td>
<td></td>
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<tr>
<td>A.2.2.</td>
<td>5</td>
<td></td>
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<tr>
<td>A.3.</td>
<td>10 10</td>
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<tr>
<td>A.4.</td>
<td>10 10 10</td>
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<tr>
<td>A.5.</td>
<td>10 18</td>
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<tr>
<td>A.5.1.</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>A.5.2.</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>A.6.</td>
<td>Study-visit</td>
<td></td>
</tr>
<tr>
<td>Total man/days in BG:</td>
<td>10 20 20 20 18</td>
<td></td>
</tr>
</tbody>
</table>

8 Sustainability

The trained experts will prepare detailed reports on the trainings passed, including description of the knowledge and practical skills achieved and will disseminate the gained knowledge to all staff of the Unit through on the job trainings and guidance.

9 Conditionality and sequencing

Conditionality:
At least 15 officials appointed in the MCPAA Unit by the start of the project.
Sequencing: N.A.

**ANNEXES TO PROJECT FICHE**

Logical framework matrix in standard format (compulsory)
Detailed implementation chart (compulsory)
Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)
List of relevant Laws and Regulations (optional)
**ANNEXES TO PROJECT FICHE**

1. Logical framework matrix in standard format (compulsory)

<table>
<thead>
<tr>
<th>Project Logframe</th>
<th>Project name and number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement of the administrative capacity of “Monitoring and coordination of</td>
<td>Contracting period expires 15 December 2009</td>
</tr>
<tr>
<td>Paying agency activities” Unit within MAFS to implement its functions in</td>
<td>Execution of contracts period expires</td>
</tr>
<tr>
<td></td>
<td>Total Budget 0.150 MEUR</td>
</tr>
<tr>
<td></td>
<td>Phare / pre-accession budget 0.150 MEUR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>To contribute to effective management of funds granted to Bulgaria under EAGF</td>
<td>MCPAA Unit issues annual reports</td>
<td>• DG AGRI mission reports</td>
</tr>
<tr>
<td>and EAFRD through achieving full compliance with CR (EC) 1290/2005 and CR (EC)</td>
<td>with good quality and within the</td>
<td>• Audit reports</td>
</tr>
<tr>
<td>885/2006</td>
<td>deadlines set by EC</td>
<td>• Evaluation reports</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Official reports of relevant DGs of the European Commission</td>
</tr>
<tr>
<td>Project purpose</td>
<td>Objectively verifiable indicators</td>
<td>Sources of Verification</td>
</tr>
<tr>
<td>Improvement of the administrative capacity of “Monitoring and coordination of</td>
<td>By July 2008:</td>
<td>• DG AGRI mission reports</td>
</tr>
<tr>
<td>Paying agency activities” Unit within MAFS to perform its responsibilities related to audit, monitoring and coordination of the Paying agency activities</td>
<td>• Optimized number and qualifications of the human resources used for implementation of the MCPAA Unit tasks</td>
<td>Regular reports on the Paying Agency activities compliance with the accreditation criteria, prepared by MCPAA Unit submitted to EC</td>
</tr>
<tr>
<td></td>
<td>• Internationally accepted audit methodology applied in MCPAA Unit work ensuring the high quality and reliability of the activities performed by the staff</td>
<td>Enough trained personnel ensured and at the disposal of MCPAA Unit</td>
</tr>
<tr>
<td></td>
<td>• MCPAA Unit staff implements their</td>
<td></td>
</tr>
</tbody>
</table>

**Final October 2007**
<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Revised staff need analysis and workload analysis with the objective to give an assessment of the MCPAA Unit performance and to make recommendations for its improvement;</td>
<td>By July 2008:</td>
<td>• DG AGRI mission reports</td>
<td>• Good level of cooperation between twinning light partners</td>
</tr>
<tr>
<td>2. Revised Procedures manual for the MCPAA Unit work organization and implementation;</td>
<td>• Elaborated mid-term strategy for staff development and recruitment and for work planning based on the staff segregation of duties</td>
<td>• MCPAA Unit Procedures Manual</td>
<td>• High quality project management ensured throughout</td>
</tr>
<tr>
<td>3. Developed audit methodology related to the activities performed by MCPAA Unit;</td>
<td>• Full set of written procedures for work of MCPAA Unit introduced</td>
<td>• MCPAA Audit manual</td>
<td>• No significant changes in EU regulations</td>
</tr>
<tr>
<td>4. At least 15 officials of MCPAA Unit trained to implement their activities in accordance with the legislation requirements;</td>
<td>• Full set of audit methodology for the work of MCPAA Unit developed and used by the staff</td>
<td>• Consultants’ reports to the Steering Committee on the project</td>
<td></td>
</tr>
<tr>
<td>5. At least 15 officials of MCPAA Unit acquainted with the best practices.</td>
<td>• At least 50% of the MCPAA Unit staff acquainted with the best practices and trained to perform their functions in accordance to EU requirements</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Twining project activities will encompass:</td>
<td>Twining light contract</td>
<td>• Successful tendering and contracting.</td>
</tr>
<tr>
<td>1. Preparation of Staff need analysis report and issuing of recommendations</td>
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<td>• Time schedule of implementation is observed</td>
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<td>• Review of the current</td>
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<tr>
<td>1. Organization and staffing of MCPAA Unit with regard to its functions</td>
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<tr>
<td>- Staff need analysis</td>
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<tr>
<td>2. Preparation of Workload analysis report and issuing of recommendations</td>
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<tr>
<td>- Review of the current and future workload of MCPAA Unit with regard to its responsibilities</td>
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<tr>
<td>- Workload analysis</td>
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<td>3. Preparation of Procedures manual for MCPAA Unit</td>
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<td>4. Development of audit methodology related to the activities performed by MCPAA Unit</td>
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<td>5. Training in audit for MCPAA Unit staff</td>
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<tr>
<td>- Organization of a seminar on basic audit theory and practice</td>
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<td>- Organization of 3 seminars on system, financial and IT audit</td>
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<td>6. 1 study visit of MCPAA Unit staff in Member states organizations performing similar functions for</td>
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</table>
exchange of experience and good practices.

<table>
<thead>
<tr>
<th>Preconditions</th>
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<tr>
<td>At least 15 officials appointed in the MCPAA Unit by the start of the project.</td>
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</tbody>
</table>
2. Detailed implementation chart (compulsory)

**Project: Improvement of the administrative capacity of “Monitoring and coordination of Paying agency activities” Unit within MAFS to implement its functions in compliance with CR (EC) 1290/2005 and CR (EC) 885/2006**

<table>
<thead>
<tr>
<th>Components</th>
<th>2007</th>
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<td>Transition Facility 2007</td>
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<td>Contract 1</td>
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<td>Twinning light</td>
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P – Preparation
T – Tendering
C - Contracting
I – Implementing
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)

Project: Improvement of the administrative capacity of “Monitoring and coordination of Paying agency activities” Unit within MAFS to implement its functions in compliance with CR (EC) 1290/2005 and CR (EC) 885/2006

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</table>
4. List of relevant Laws and Regulations (optional)

EU legislation

1. **Council Regulation No. 1290/2005** of 21 June 2005 on the financing of the common agricultural policy
2. **Commission Regulation No. 883/2006** of 21 June 2006 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the keeping of accounts by the paying agencies, declarations of expenditure and revenue and the conditions for reimbursing expenditure under the EAGF and the EAFRD
4. **Commission Regulation No. 885/2006** of 21 June 2006 laying down detailed rules for the application of Council Regulation (EC) No 1290/2005 as regards the Accreditation of paying agencies and other bodies and the clearance of the accounts of the EAGF and of the EAFRD
6. **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

National legislation

1. Law for Supporting the Agricultural Producers
2. Law on Implementation of Common Market Organizations of Agricultural Products in EU
3. Ordinance No. 79/01.06.2006 for the Requirements and Procedures for Accreditation and Annual Certification of the Paying Agency