1. Basic Information
1.1 Désirée Number: 2002/000-180-01-03
    Twinning Number: HU02/IB/AG-03
1.2 Title: Preparation for the management of Community funded measures in the areas of rural development, fisheries and aquaculture
1.3 Sector: Agriculture
1.4 Location: Hungary

2. Objectives

2.1 Overall Objective
Strengthening institutional structures in order to achieve, upon accession, sound and efficient management of EU funded rural development measures as well as measures in the fisheries and aquaculture sector.

2.2 Project Purpose

Institutional preparations for the programming and management of rural development measures are to be completed. In particular the project should assist in:

A. In relation to measures to be included in the Community Support Framework and funded by EAGGF Guidance Section and the Financial Instrument for Fisheries Guidance (EC Regulation 1260/99 and EC Regulations 1257/1999 and 1263/1999):

- The preparations of the Operational Programme for Agriculture, Rural Development and Fisheries and the Programme Complement;
- The development of the Capacity at the Unit identified as future managing authority of this Operational Programme.

B. In relation to the measures to be funded by the EAGGF Guarantee (EC Regulation 1257/99)

- The preparation of the rural development plan covering those measures financed by the EAGGF Guarantee Section (the four measures mentioned in article 35.1 of Regulation (CE) 1257/1999 for the whole territory of Hungary [and, if the Hungarian authorities choose this solution, other measures for areas that might be designated as Objective 2]):
- The development of the capacity at the Unit(s) identified as future competent authorities and bodies for rural development measures.
2.3 Accession Partnership and NPAA Priority

Accession Partnership

The recently revised Accession Partnership includes especially the following priorities under Agriculture and under regional policy:

- Reinforce the administrative structures needed for the design, implementation, management, monitoring, control and evaluation of EC funded rural development programmes.

- Prepare Operational Programmes in line with the Structural Funds Regulations, including an ex-ante evaluation.

- Ensure that the designated managing and paying authorities will progressively build up their capacity in order to be able, upon accession to fulfil their responsibilities and deliver the tasks assigned to each of them according to the Structural Funds Regulations.

- Develop the technical preparation of projects eligible for Structural and Cohesion Funds assistance (project pipeline).

National Programme on the Adoption of the Acquis /NPAA/, 2001

- Chapter III 4.2. „in order to operate structural and rural development programs financed by the EAAGF Guidance Section Hungary will establish the appropriate administrative authorities and procedural rules before accession to the European Union (…) the national agricultural, fishery and rural development plans a uniform working program is being prepared as a chapter of the National Development Plan. (…) to support non profit managing organisation which guarantee the planning and implementing micro-regional development programs

2.4. Contribution to National Development Plan

Not applicable

2.5. Cross Border Impact

Not applicable.
3. Description

3.1. Background and justification

**Programming**

- The Ministry of Agriculture and Regional Development will be the administrative body within the Hungarian Government in charge of rural development programming and of the future management of rural development measures funded both under the Guidance and Guarantee sections of EAGGF.

- The Ministry will ensure complementarity of rural development measures independently from the funding source and the programming document.

- Within the Ministry a single Unit, the Rural Development Unit, will be in charge of elaborating both the Operational Programme for Agriculture and Rural Development (EC Regulation 1260/99) and Fisheries (EC Regulation 1263/99) and the rural development plan (EC Regulation 1257/99).

  - This Unit will co-ordinate the work of the line departments of the Ministry. The bodies that will play the management role under the two regulations are expected to participate in the programming activities and provide inputs for the drafting of the operational programme and Programme Complement (Article 9 of Regulation 1260/1999) and through the drafting of the Rural Development Plan.

- The bodies responsible for the management of the Guidance and Guarantee funds will be responsible for the implementation of (respectively) the Operational Programme for Agriculture, Rural Development and Fisheries and the Rural Development Plan.

**Management of the Operational Programme for Agriculture and Rural Development**

- Government Decision 2160/2001 (VI. 27.) on the establishment of the institutional structure for the Structural Funds stipulates that the Managing Authority of the Agriculture and Rural Development Operational Programme should be established on the basis of the SAPARD Agency of the Ministry of Agriculture and Regional Development (MARD).

The SAPARD Agency is a partly independent organisational unit within the Ministry of Agriculture and Regional Development. It is a budgetary organisation fully integrated into the internal structure of the MARD.

In accordance with the recommendations of the Commission, the Managing Authority will be anchored in the Ministry of Agriculture and Regional Development. It will be responsible for the management of the Operational Programme for Agriculture, Rural Development and Fisheries to be co-financed by the Guidance section of the EAGGF and the FIFG. It is expected that specific fishery actions will be included in the Operational Programme as a separate priority co-financed by the FIFG funding.

The SAPARD Agency is expected to be accredited for SAPARD measures by mid-2002. The Agency consists of a Central Unit and 7 Regional Offices.

The number of staff is expected to increase as shown below (estimates):
<table>
<thead>
<tr>
<th>Year</th>
<th>Central office</th>
<th>Regional offices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Actual</td>
</tr>
<tr>
<td><strong>2001.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2nd half</strong></td>
<td>65</td>
<td>54</td>
</tr>
<tr>
<td><strong>2002</strong></td>
<td>90</td>
<td>65</td>
</tr>
<tr>
<td><strong>2003</strong></td>
<td>105</td>
<td>90</td>
</tr>
</tbody>
</table>

* Presuming all 9 SAPARD measures are in operation

The SAPARD Agency plans to set up a standing working group for the development of the Managing Authority. By harmonising the implementation of the SAPARD Programme and the activities of the project, the working group would have the task of channelling the knowledge gained in the framework of the project into the future Managing Authority. The working group will have to give particular attention to the differences between the structure established under SAPARD on the one hand and the regulatory framework set by Council Regulation No 1260/1999 laying down general provisions on the Structural Funds on the other hand, in terms of responsibilities and tasks of the Managing Authority and the Paying Authority as defined under Articles 32 and 34 of that Regulation in particular. The Agency plans to introduce new units or additional personnel in case the findings of the working group will identify it as a need.

- The daily operation of an organisation of this size (expected number of staff 300+) will need the use of appropriate management, HR management etc. tools and methods. Good quality experts are relatively rare.
- Due to the increased number of tasks and measures implemented, the Managing Authority will need additional IT resources, mainly hardware (workstations).

**Management of the Rural Development Measures funded through the EAGGF - Guarantee**

- The Government is currently preparing a decision designating the Agricultural Intervention Centre as the body which will have the task of managing Rural Development Measures funded through the EAGGF Guarantee. It is expected that this decision will be approved before the end of the year.
- On the basis of this decision the AIC will perform the tasks of the Paying Agency in relation to rural development measures funded by the Guarantee section: authorisation, execution and accounting of payment, as set out in Commission Regulation (EC) 1663/95.
- The AIC has been entrusted by MARD to prepare itself for the function of the Paying Agency for all payments from the EAGGF Guarantee section (Regulations 1258/99 and 1663/95)
- The reason for Hungary’s choosing the AIC as competent body for the management of rural development measures financed by the Guarantee section (Regulation 1257/99, Article 35 (1)) is that
Some aspects of the implementation of these measures are close to certain CAP CMO measures (area based, e.g. Less Favoured Areas and agri-environment)

Some aspects of the management of these measures is close to the CAP market measures (e.g. single application forms)

they can in some cases be handled and controlled in relation with the same systems (e.g. IACS) as the market measures, specific controllers being nevertheless necessary;

The difference between the rules of management of Guarantee and Guidance funds can be seen also as an argument for division of management by funds

3.2. Linked activities

Phare project HU0105-01 Aims completion of preparations for Management of EU Structural and Cohesion Funds (e.g. finalisation of NDP, capacity building in MA, payment related functions, institution building at regional level.)

Phare project HU0008-1 Provides assistance in the preparation of the Hungarian regional authorities for their role in the programming, implementation and monitoring of the Structural Funds financed Operational Programme for Regional Development and the Sectoral Operational Programmes. Also the co-ordination between central and regional institutions will be developed in order to facilitate the absorption of Structural Funds.

Phare project HU9806-03 Development of institutions responsible for the future implementation of CAP;

A request has been submitted for a Twinning-Light project to be implemented in the first half of 2002, to help prepare the SAPARD Agency for its accreditation. This project will focus on the preparation of the documents needed for accreditation.

3.3. Results

Legal basis and administrative structure revised, as necessary

Programming:

- Draft Operational Programme for Agriculture, Rural Development and Fisheries and Programme Complement prepared in accordance with the provisions of EC Regulations 1260/1999, 1257/1999 and 1263/1999;

- Rural development plan prepared in accordance with the provisions of Regulation 1257/99.
• Management
  – Managing authority for the Operational Programme for Agriculture, Rural Development and Fisheries established and prepared to deliver the tasks defined in Council Regulation 1260/1999.
  – Competent body for the management of the Rural Development Plan established and prepared to deliver the tasks defined in Council Regulations 1257/99 and 1260/1999.

• Monitoring
  – Monitoring system for the Operational Programme established and ready to be operational
  – Monitoring system and Rural Development Plan established and ready to be operational

• Required IT support installed and operational

3.4. Activities

3.4.1 Finalisation of programming and assistance to the Managing Authority for the Operational Programme for Agriculture, Rural Development and Fisheries and to the body (unit) responsible for the management of measures co-financed by the EAGGF Guarantee section.

This component of the project will be implemented through a twinning arrangement. A long-term Pre-Accession Adviser (PAA) will be assigned to the Ministry of Agriculture and Regional Development for a period of 12 months.

The PAA will be responsible for providing advice on the following areas, as well as keeping permanent contact with the national authorities, and supervising project implementation in its specific area of activity, including the work of short and medium-term experts:

(a) Assist in reviewing, if required, legal provisions and the administrative structures so as to ensure that it allows for the bodies responsible for the management of EAGGF Guidance and Guarantee Section and FIFG to carry out the responsibilities and tasks laid down in the relevant EC Regulations (in particular Council Regulations No 1260/1999, 1257/99 and 1263/1999, as well as Commission Regulation 438/2001 on management and control systems for assistance ranted under the Structural Funds).

(b) Assist in the preparation of:
  – the draft rural development plan (EC Regulation 1257/99)
  – the draft operational programme and programme complement including the design of priority and measures specifically funded by FIFG component (EC Regulations 1260/99, 1257/1999 and 1263/1999)

(c) Assistance in setting up an efficient partnership system ensuring the active involvement of all partners at all stages of the programming process

(d) Ensuring appropriate co-ordination with the different ministries, bodies or actors at programme level
(e) Assist in carrying out the ex-ante evaluation of
   − the expected impact of the measures which will be described in the Rural Development Plan as required by Council Regulation 1257/99 (article 49)
   − the Operational programme for Agriculture Rural Development and Fisheries and the Programme Complement as required under the Council Regulations 1260/1999 (Article 41)

(f) Assist in setting up:
   − the Managing Authority in compliance with Council Regulation 1260/1999 (Article 34) including the definition of tasks to be delegated to intermediate bodies and other partners that will be involved in the preparation and implementation of the Operational Programme
   − the competent authorities and bodies required by Council Regulation 1257/99 including the definition of responsibility between the Ministry and the Agriculture Intervention Centre and other partners that will be involved in the preparation and implementation of the Rural Development Plan

(g) Transfer of knowledge in the practical operation of management of rural development and fisheries / aquaculture measures

(h) Establishing the capacity of
   − the designated Managing Authority to deliver the tasks defined in Council Regulation 1260/1999
   − the relevant competent authorities/bodies to deliver the tasks referred to in Council Regulation 1257/1999.

(i) Assisting the ministry concerned in preparing the legislative and institutional framework required for the implementation of EU support in line with:
   − Council Regulations 1260/1999, 1257/1999 and 1263/1999 with regard to the implementation of the EAGGF Guidance section and the FIFG
   − Council Regulation 1257/1999 covering support from the Guarantee section of EAGGF

(j) Training in project appraisal, public procurement, and financial, administrative, and legal procedures covering the specificity of all funds that will support the Rural Development Plan (EAGGF Guarantee), the Rural Development Operational Programme (EAGGF Guidance) and the priority funded by the FIFG

(k) Assistance in introducing quality assurance in administrative and financial operations (e.g. Total Quality Management, ISO certificates), as well as the supervision of the tendering and contracting process.

(l) Technical assistance for the establishment of a project pipeline with a view to absorb the first wave of Structural Funds assistance after accession.

(m) Assistance in the preparation of initiatives aimed at ensuring proper publicity to potential final beneficiaries and the general public.

(n) Establishment of the structures and procedures for proper monitoring of:
   − Structural Funds support in line with Council Regulation 1260/1999;
   − Guarantee section of EAGGF support regarding Council Regulation 1257/1999

(o) The project – if need arises – might also include exchange of experts with relevant administrations in EU member state (stages) for up to 6 months.
Profile of the PAA

- sound theoretical and practical experience related to EU funding and community policy in the area of Rural Development and, possibly, the fisheries and aquaculture sector;
- at least 3 years working experience and practical involvement in a managing authority;
- good practical experience of monitoring activities including good knowledge of IT monitoring tools
- good knowledge of financial flows
- good knowledge of the planning process and the issues related to preparing programming documents (NDP, Rural Development Plans, Operational Programmes, Programming Complement)
- leadership experience
- excellent inter-personal and communication skills
- initiative and co-operative attitude
- fluency in English

Medium and Short term experts

Areas not directly covered by the PAA and the training advisor can be taken over by medium and short term experts within the limits of the budget as stated in section 5 of the present fiche. The concrete assignments will be subject to the preparation of the technical Covenant and the recommendations of the twinning partner(s).

Operational environment

The duration of the project is one year. The stay of the PAA will last 12 months. As the project covers not only programming aspects, but also institutional building, the Department for European Integration as co-ordinator will be the counterpart of the twinning program, in co-operation with the other departments concerned. MARD will provide the PAA, the other experts office space and the equipment necessary.

3.4.2 Equipment Supply

For the future Managing Authority for the Operational Programme for Agriculture, Rural Development and Fisheries to be operational, additional IT equipment is necessary. An indicative list of this equipment is included as ANNEX 6.

3.5 Lessons learned

Under the Annual Assessment Report R/HU/AGR/00043 recommendations were made which are relevant to the current project. Design recommendations concerning indicators of achievement (point 2.3 of the Report), twinning activities (last bullet point of 4.2.3 on p.21) and other recommendations under point 6.2 of the Report have
been addressed while drafting the current project fiche. The Implementing Agency and the Project beneficiaries beneficiaries will ensure that management recommendations will be addressed as appropriate.

4. Institutional Framework

This project is the logical complement of the 2001 project HU0105-01 Completing preparations for Management of EU Structural and Cohesion Funds. Co-ordination among the two projects needs to be strictly ensured. In view of that the progress of the project will be reviewed in the context of the Steering Committee already set up for the project HU0105-01.

The project is in line with the Institution Building Plan of the MARD and will be co-ordinated by the Department for European Integration. The Department for European Integration has an overall responsibility for the preparation for accession. As the project covers both policy issues (programming) and institution development, the department will ensure the coherence between the inputs from the respective line departments and bodies. The Director General of the Department for European Integration has been appointed by the Minister as responsible for the development of the Managing Authority for the EAGGF Guidance section. The contact person has appropriate knowledge about both programming and institutional issues for both sections of EAGGF. Through his involvement in SAPARD he has necessary experience in twinning projects of this nature.

The beneficiary departments will be responsible for ensuring the realisation of project objectives with regard to their specific area of competence. Tendering and contracting will be the task of the CFCU.

The monitoring of the project will be ensured by the JMC Sectoral Monitoring Sub-committee responsible for Regional Policy.

5. Detailed Budget

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare (=I+B)</th>
<th>National Co-Financing</th>
<th>IFI*</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning</td>
<td>-</td>
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<td>0,550</td>
<td>0,100</td>
<td>-</td>
<td>0,650</td>
</tr>
<tr>
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<td>-</td>
<td>0,150</td>
<td>0,050</td>
<td>-</td>
<td>0,200</td>
</tr>
<tr>
<td>Total</td>
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<td>0,550</td>
<td>0,700</td>
<td>0,150</td>
<td>-</td>
<td>0,850</td>
</tr>
</tbody>
</table>

The Government co-financing for the twinning activity is an estimated indicative amount and will not be part of the budget of the twinning covenant. It provides an indication of the resources in cash or in kind that the beneficiaries will have to mobilise to cover the necessary counterpart expenses arising from the implementation of the twinning.

The co-financing for the Supply contract should be intended as joint co-financing between Phare and Government resources. The Phare amount is binding as a maximum amount available for the project. The ratio between the Phare and national amount is also binding and has to be applied to the final contract price.
6. Implementation Arrangements

6.1. Implementing Agency

The Implementing Agency of the project is the Central Finance and Contracting Unit (CFCU). The CFCU will be the Contracting Authority and in that capacity will issue and evaluate tender, conclude contracts and authorise the treasury to make contractually related payments. The Director General of the CFCU will act as PAO of the project. Her contacts are:

PAO: Ms. Judit Rózsa, director general
     CFCU, Public Finance Office,
     H-1052 Budapest, Deák Ferenc u. 5.
     Tel.: +36-1-327-3652, +36-1-327-3650
     Fax.: +36-1-327-3572, +36-1-327-3573
     e-mail: judit.rozsa@ahh.gov.hu

The MARD will be responsible for the technical part of the project in terms of design, assessment, follow up and monitoring. The Head of Directorate for Integration (MARD) will act as Senior Programme Officer. His contacts are:

SPO: Dr. László VAJDA, Head of Directorate
    Department for European Integration
    Ministry of Agriculture and Regional Development
    H-1055 Budapest, Kossuth tér 11.
    Tel.:+36-1 331-3578    Fax.:+36-1 301-4663
    E-mail: Laszlo.Vajda@fvm.hu

6.2. Twinning

The beneficiary institution will be the MARD. CFCU will be responsible for contracting.

Contact person: Mr. Péter BOKOR, Head of Unit as designated project director
    Ministry of Agriculture and Regional Development
    Department for European Integration
    H-1055 Budapest, Kossuth tér 11.
    Tel.:+36-1 301-4810
    Fax.:+36-1 301-4659
    E-mail: Peter.Bokor@fvm.hu

6.3. Non-standard Aspects

The Practical Guide for Phare, ISPA and SAPARD contract procedures and Twinning Manual will strictly be followed.

6.4. Contracts

The Project shall be implemented through one twinning arrangement in the value of 0,550 MEUR, and one equipment supply tender in a value of 0,200 MEUR.

7. Implementation Schedule
### Contract Details

<table>
<thead>
<tr>
<th>Contract</th>
<th>Start of tendering</th>
<th>Start of project Activity</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>06/2002</td>
<td>01/2003</td>
<td>04/2003</td>
</tr>
<tr>
<td>Twinning</td>
<td>12/2001</td>
<td>06/2002</td>
<td>05/2003</td>
</tr>
</tbody>
</table>

#### 8. Equal Opportunity
All participating Hungarian institutions are equal opportunity employer. No discrimination of whatever nature will be applied.

#### 9. Environment
Not applicable

#### 10. Rates of return
Not applicable

#### 11. Investment criteria
Not applicable

#### 12. Conditionality and sequencing
- By the end of December 2001 the Hungarian Government will take the formal decision appointing AIC as the future EAGGF Guarantee paying Agency.
- By the end of January 2002 the Ministry will identify the Project leader for the twinning operations on the Hungarian Side. He should have the mandate to coordinate the programming processes and supervise the establishment of the required management structures.
Annexes to the Project Fiche

1. Logical framework matrix
2. Detailed Implementation Chart
3. Contracting and Disbursement Schedule
4. List of relevant Legislation
5. List of measures in the Hungarian SAPARD Programme
6. Indicative Equipment list
# ANNEX I-LOGICAL FRAMEWORK MATRIX

## LOGFRAME PLANNING MATRIX FOR Completing preparations for structural funds in the agricultural sector

<table>
<thead>
<tr>
<th>Program name and number</th>
<th>2002/000-180-01-03</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total budget:0,85 MEUR</td>
<td>Phare budget:0,7 MEUR</td>
</tr>
</tbody>
</table>

### Overall objective

Strengthening institutional structures in order to achieve, upon accession, sound and efficient management of EU funded rural development measures as well as measures in the fisheries and aquaculture sector.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Monitoring reports for the Monitoring Committees Clearances of accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% of the funds available from EAGGF Guidance absorbed</td>
<td></td>
</tr>
</tbody>
</table>

### Project purpose

Institutional preparations for the programming and management of rural development measures. In particular the project should contribute to:

- Preparation of the Operational Programme for Agriculture, Rural Development and Fisheries and the Programme Complement;
- Capacity fully developed at the Unit identified as future managing authority of this Operational Programme.
- The preparation of the rural development plan covering those measures financed by the EAGGF Guarantee Section (the four measures mentioned in article 35.1 of Regulation (CE) 1257/1999 for the whole territory of Hungary and if the Hungarian authorities choose this solution, other measures for areas that might be designated as Objective 2]
- The development of the capacity at the Unit(s) identified as future competent authorities and bodies for rural development measures

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme completed by May 2003</td>
<td>Approved Programme</td>
<td>Sufficient human and financial resources allocated to the managing and paying authorities</td>
</tr>
<tr>
<td>Staff/ organisation accredited by May 2003</td>
<td>Accreditation documentation</td>
<td>Availability of co-financing</td>
</tr>
<tr>
<td>Plan prepared by May 2003</td>
<td>Approved Plan</td>
<td></td>
</tr>
<tr>
<td>Staff/ organisation accredited by May 2003</td>
<td>Accreditation documentation</td>
<td></td>
</tr>
</tbody>
</table>

### Results

- Legal basis and administrative structure revised, as

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedures and documents approved by the relevant</td>
<td>Monitoring and assessment reports for MC</td>
<td>Accreditation of the SAPARD Office finished in</td>
</tr>
</tbody>
</table>
necessary

- **Programming:**
  - Draft Operational Programme for Agriculture, Rural Development and Fisheries and Programme Complement prepared in accordance with the provisions of EC Regulations 1260/1999, 1257/1999 and 1263/1999;
  - Rural development plan prepared in accordance with the provisions of Regulation 1257/99.

- **Management**
  - Managing authority for the Operational Programme for Agriculture, Rural Development and Fisheries established and prepared to deliver the tasks defined in Council Regulation 1260/1999.
  - Competent body for the management of the Rural Development Plan established and prepared to deliver the tasks defined in Council Regulations 1257/99 and 1260/1999.

- **Monitoring**
  - Monitoring system for the Operational Programme established and ready to be operational
  - Monitoring system and Rural Development Plan established and ready to be operational
  - Required IT support installed and operational

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| - Finalisation of programming and development of the capacity of the future managing/competent authority (MA) | o One Twinning arrangement  
o One supply contract | o All participating departments of MARD provide adequate facilities and staff  
o Suitable Twinning partner(s) contracted |

**2002**
- Elections in Hungary will not influence the institutional structure and NDP process

| Preconditions |
|  | o The project activities have to be part of the working plan of the relevant departments of MARD  
|  | o The present staff of MARD is qualified for the preparation of manuals. |
ANNEX 2
DETAILED IMPLEMENTATION CHART

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th></th>
<th>2003</th>
</tr>
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<tbody>
<tr>
<td>Month</td>
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<td>1 2 3 4 5 6 7 8 9</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Twinnings</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **tendering**
- **implementation**
ANNEX 3

CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE FOR PHARE FUNDS (MEURO)

<table>
<thead>
<tr>
<th>DATE</th>
<th>31/03/2002</th>
<th>30/06/2002</th>
<th>30/09/2002</th>
<th>31/12/2002</th>
<th>31/03/2003</th>
<th>30/09/2003</th>
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<tbody>
<tr>
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<tr>
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<td></td>
<td></td>
<td>0,150</td>
<td>0,150</td>
<td>0,150</td>
</tr>
<tr>
<td>Twinning</td>
<td>0,000</td>
<td>0,550</td>
<td>0,550</td>
<td>0,550</td>
<td>0,550</td>
<td>0,550</td>
</tr>
<tr>
<td><strong>Total (cumulative)</strong></td>
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<td>0,700</td>
<td>0,700</td>
<td>0,700</td>
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<tr>
<td><strong>Disbursement</strong></td>
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<td></td>
</tr>
<tr>
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<td>0,000</td>
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<td>0,100</td>
<td>0,150</td>
</tr>
<tr>
<td>Twinning</td>
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<tr>
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<td>0,400</td>
<td>0,450</td>
<td>0,650</td>
<td>0,700</td>
</tr>
</tbody>
</table>
ANNEX 4

LIST OF RELEVANT LEGISLATION

EU legislation

- Council Regulation (EC) 1266/1999 of 21 June 1999, on co-ordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation EEC No 3906/89
- 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 (EC) 1258/1999 on the financing of the common agricultural policy;
- Commission Regulation (EC) No 1663/95 of 7 July 1995 laying down detailed rules for the application of Council Regulation (EEC) No 729/70 regarding the procedure for the clearance of the accounts of the EAGGF Guarantee Section
- Commission Regulation (EC) 438/2001 of 2 March 2001 laying down the rules for the application of Council regulation 1260/99 regarding management and control system for assistance granted under the structural funds

Hungarian legislation

- 2073/1999 (IV. 21.) Government Resolution on the tasks related to the preparation for the Structural Funds and the Cohesion Fund
- 2134/1999 (VI: 11) Government Resolution on EU-compatible alignment of the state aid system
- 2188/2000. (VIII.31.) Government Resolution on institution building of SAPARD
- 12/2001. (II:15.) Ministry of Agricultural and Regional Development Resolution on establishment of SAPARD Office
ANNEX 5

LIST OF MEASURES IN THE HUNGARIAN SAPARD PROGRAM

1/ Investment in agricultural holdings
2/ Processing and marketing of agricultural and fishery products
3/ Improvement of vocational training
4/ Agricultural production methods designed to protect the environment and maintain the countryside
5/ Setting up producer groups
6/ Renovation and development of villages and the protection and conservation of rural heritage
7/ Development of diversification of economic activities, providing for multiple activities and alternative income
8/ Development and improvement of rural infrastructure
9/ Technical Assistance
### ANNEX 6 - INDICATIVE EQUIPMENT LIST

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<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
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<tbody>
<tr>
<td>Color Laser printer (with copy function)</td>
<td>8 pcs</td>
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<td>WEB server</td>
<td>1 pc</td>
</tr>
<tr>
<td>Software</td>
<td>1 pc</td>
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<tr>
<td>E-mail server</td>
<td>1 db</td>
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<tr>
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<tr>
<td>Local laser printer</td>
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<tr>
<td>Network Laser printer</td>
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