Standard Summary Project Fiche for the Transition Facility

1. Basic Information

1.1 CRIS Number: 2005/017-464.01.01

1.2 Title: Reinforcement of the Agricultural Paying Agency’s administrative capacity in the field of market organisation

1.3 Sector: Agriculture

1.4 Location: Slovak Republic

2. Objectives

2.1 Overall Objective(s):

Stabilisation of food and agricultural commodity market through reinforcement of the market organization system in the Agricultural Paying Agency.

2.2 Project purpose:

- Upgrading of the intervention system for selected commodities (cereals, potato starch, dry fodder, flax, tobacco, hemp)
- Strengthening of the export refunds system and its inspection for ANNEX I. and NON-ANNEX I. products.

2.3 Justification

In the area of agriculture, the EC Comprehensive Monitoring Report specifies the following required further action: „Trade mechanisms - establish the authority responsible for export refunds and licensing, i.e. the Paying Agency; establish administrative structures and procedures.“

The project reflects recommendations of the Peer review held in July 2003. The report concluded that:

1) detailed working level agreements required between all the parties involved in trade mechanisms administration
2) traders engaged more fully in planning and preparation for accession
3) increased use made of external guidance i.e., existing member states and the Commission, particularly on problem areas. Internally agreed representational issues
The Ministry of Agriculture (MoA) and its relevant departments have been taking appropriate measures in order to meet recommendations of the Peer Review:

1) MoA and Ministry of Finance (MoF) signed Memorandum of understanding. With reference to the Memorandum an Agreement was signed between the Agricultural Paying Agency and the Customs Directorate (CD) on tasks delegation. It reads that CD plays an important role in control mechanism for both the export and import (mainly export refunds). Due to the fact that CD is not able to do analysis of all range of agricultural and processed products (Annex and non-annex), State Veterinary and Food Administration (SVFA) is taking over responsibilities for such analysis. SVFA is included in the project as a body responsible for a/m activities.

2) According to discussions, it was decided that the bottom up approach will be introduced in order to involve all relevant stakeholders. Involvement of unions and associations will be necessary to succeed with the further information/promotion campaign. For the time being very little has been done in this area. The project is related to this activity in order to further strengthen engagement of stakeholders (mainly traders).

3) During the hectic development time APA widely used different sources of information, mainly from the ex-15 MS, which significantly helped during the development of procedures. There is a continuous need for such assistance. For further information see Section 3.2 Linked Activities.

3. Description

3.1 Background and justification:

The Agricultural Paying Agency is responsible for managing of the EAGGF direct payments, Common Market Organisation schemes and other support schemes it is administering and controlling. The APA was established by law no. 473/2003, as of 1 December 2003.

APA was given a temporary accreditation by MoA SR as the managing authority on 15 June 2004. Herewith APA is authorized to carry out the activities in line with the Act N° 473/2003 Coll.

The project was also proposed in accordance with recommendations of previous PHARE projects (see Section 3.2, Linked Activities) focused on the preparation of APA for administration of CAP tools to enable to take over, and to apply the EU-legislation in the field of market organisation. These projects focused mainly on the theoretical part of the market organisation system without any interlink to the market organisation application schemes. Currently, a continuous development of the introduction of the CMO schemes into practice, as well as the concerning inspections, are urgently needed. The before mentioned projects did not cover all the parts of market organisation, but they focused on basic commodities, whereby there was no time given to the administration and inspection of market organisation tools for other commodities.
The establishment of the Agricultural Paying Agency, including the implementation of the Commodity Market Organisations, was prepared within a short period of time and under considerable time pressure. An essential assistance, provided by the former EU Member States through Phare projects, facilitated the establishment and implementation of the necessary procedures. After accession, and the accreditation of the Paying Agency, the CMO Department started to receive applications for payments under different commodity measures. Even in the first weeks of the operation of the CMOs measures many discrepancies and shortcomings were observed in the process of the application and payment administration.

Some commodity measures were launched earlier, another later, and the other have still been waiting for their start-up (e.g. CMO for starch). Slow roll-out of the individual CMOs is due to number of policy, administration, technical, human and also procedural issues. Observed problems have been of different nature. Some issues can be dealt with on a daily basis, but some have been identified as long-term issues requiring a technical assistance from the countries with experience on CMOs.

PHARE, and in particular Twinning assistance, has been very useful in the process of CMOs establishment. Two Twinning Light projects (CMO on sugar and Agricultural Paying Agency for EAGGF – for more information see Section 3.2. Linked activities below) were directly managed by Market Organization Section. In addition Market Organization Section benefited from other Twinning (Preparation for the CAP) and TA projects managed under shared responsibility with other departments.

Actions, studies, and all the other types of activities eligible for support under the Structural Funds Technical Assistance measure (Article 2.4 of Council Regulation (EC) No 1260/1999 and Article 23 of Council Regulation (EC) No 1260/1999) or the Rural Development Programme Technical Assistance Measure (Article 33e of Council Regulation (EC) No 1257/1999, as amended by the Act of Accession), are excluded from the scope of this project.

3.2 Linked activities (ranked according to the relevancy to the project):

PHARE Twinning light SR 0110 0008 “Agricultural Paying Agency (for EAGGF)”. The overall project objective was to complete preparation of the Slovak Republic for practical applying of the CAP management mechanisms for basic commodities (milk and dairy products, milk quota, cereals-trade mechanisms, meat and animal-beef, veal, pigmeat ant other – sheepmeat and goatmeat, pork, egg and poultry); furthermore to support the preparation of the Agricultural Paying Agency for the practical application of the management mechanism of the Common Agricultural Policy in the field of Market Organisations. The co-TWL partner was the Austrian AMA (Agrarmarkt Austria), and a sum of 150 000 EURO was allocated for the project, finished on 28 June 2004. The project assisted in preparation of written procedures for implementation of the Market Organisation measures, but was only for the main commodities. Although the project was implemented at the very late stage, it significantly assisted Market Organization Section in meeting the elementary acquis requirements. The project is closely related to this Project Fiche. The project expected in its follow-up bottlenecks and disturbances in further process of the cereal intervention. In addition, missing “Installation of a working data-processing system”
was highlighted. Even though the data processing system was installed, further tuning-up of the system is necessary and is proposed to be dealt with in this project.

**PHARE Twinning light SR 0110 0007 “Common Market Organisation with Sugar in the Slovak Republic”**. The overall project objective was to complete preparation of the Slovak Republic for practical applying of the common market organisation in sugar and isoglucose. The co-TWL partner was the Austrian AMA, and a sum of 150 000 EURO was allocated for the project, finished on 14 April 2004. The project essentially assisted in preparation for the implementation of Common Market Organisation in sugar and isoglucose in Slovakia; moreover project follow-up activities emphasised that export refunds for sugar should be strengthened. This project is thus related to the TWL project, and is supposed to provide further improvement of the export refunds only.

**PHARE Technical Assistance Project SR 990901 ”Development of Information System in Agriculture”**. T.A. – MIS, Farm Register and FADN was executed by the Italian Agrotec Co. With an allocated sum 240000 EURO. The activities were over on 9 February 2002; the results of the project assisted CMO Department by providing Operation manual for intervention system of cereals under responsibility of the Intervention Agricultural Agency of the SR. Successful implementation of the project provided number of recommendations, two of which are directly linked and included in this project of T.A.: 1) Operational manuals for other commodities will be developed/improved, and 2) To tune-up the information system for administration of storage of intervention stocks within EU regulations.

**PHARE Twinning SR 98-IB-AG-02 “Preparation for the Common Agricultural Policy”**. German & French twinning partners focused to three objectives; the “Implementation of the acquis communautaire concerning CAP market organisations” was directly linked to Market Organization Section (at that time State Fund for Market Organisation). The project (935 000 EURO was allocated for the implementation) initiated institutional building for CMOs and introduced preliminary market schemes. As stated in the Final report (October 2001) the CMO related objective of the project was not accomplished. This was due to the fact that “Slovak side was not in the position to prepare commodity related implementing regulations because of non-clarified juridical problems including competencies between the Slovak ministries concerning price fixing and trade regimes like licenses”. In the meantime, the outlined recommendations had been gradually implemented.

**PHARE Technical Assistance project SR 5821904-06-01 0009 “Technical Assistance to the Ministry of Agriculture of SR in Execution of Pre-accreditation Audit in Agricultural Paying Agency”**. The T.A., being a part of a wider-scoped project: Development of Structures for Implementation of IACS, was executed by a Bratislava-based company Deloitte&Touche Ltd. 650 000 EURO was allocated, and as far as the project finishing is concerned, it was over on 14 June 2004. The project provided the pre-accreditation audit in APA. Based on the project findings and recommendations, APA prepared the action plan for solving of findings of the pre-accreditation audit. In the plan all APA Sections have set out measures, terms and responsible persons. Due to the horizontal aspect of the project the CMO department played minor role.
3.3 **Results**

**A. Area of the intervention system for cereals**

Analysis on current administration of the intervention system targeted on compliance with the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the intervention mechanisms were given.

Recommendations for control and inspection system for intervention stocks were provided.

Information system for intervention storing is up-graded.

20-30 personnel of APA, those of the State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) ones, are trained and skilled in “Methodology and procedures for implementation of intervention system and its inspection”.

Industry representatives in the field of cereal intervention trained on conditions and procedures of cereal intervention (800 participants) are informed.

Study visit is carried out.

Information brochures are prepared and printed.

**B. Potato starch sector**

Analysis on current administration of the intervention system of the potato starch targeted on compliance with the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the potato starch sector is given.

Presentation of the recommendations for control and inspection system in the potato starch sector is provided.

10-15 APA, State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) staff, on “Methodology and procedures for implementation of intervention system and its inspection of the potato starch sector” are trained.

Potato starch industry representatives are trained on conditions and procedures of starch intervention (15 participants).

Study visit is carried out.
Information brochures are prepared and printed.

C. Area of export refund system for ANNEX and NON ANNEX I products

Analysis on current administration of the export refund system for ANNEX and NON ANNEX I products targeted on compliance with the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the export refund system for ANNEX and NON ANNEX I products are given.

Presentation of the recommendations for inspection system for export refund is given.

Staff of APA and other relevant external institutions (Customs Office, Veterinary Administration) are trained (10-15) on “Methodology and procedures for implementation of export refund instrument“.

Agriculture and processing sector representatives are trained on individual tools of trade mechanism for export refund i.e. conditions and procedures (50 participants).

Study visit is carried out.

Information brochures are prepared and printed.

D. Area of other commodities (dry fodder, flax, tobacco, hemp)

Analysis on current administration and inspection of market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp) targeted on compliance with the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the market organisation tools in the sector of other commodities are given.

Presentation of the recommendations for inspection system in connection with delegated bodies is provided.

10-15 APA, State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) staff are trained on “Methodology and procedures for implementation of the market organisation tools in the sector of other commodities.

Industry representatives in the field of other measures for market organisation are informed about conditions and procedures (50 participants).

Information brochures are prepared and printed.
3.4 **Activities:**

The following activities are foreseen within the project:

A. Technical assistance for strengthening of administration, implementation and inspection of EU-intervention system for cereals (special focus on intervention sales)

- To work out the analysis of the current intervention system (observance of compatibility with EU regulations, analysis of legislative framework – especially the rules on the national level, visit of intervention/public storages, running intervention purchase) and recommendation of measures

- To improve of the methodological instruction for intervention mechanisms application – kind of purchase, storing, sell and inspection of intervention products (how to make the system more efficient)

- To improve control system for intervention stocks – on the spot controls in all intervention stages Improve mainly control at the regional level through educational/training activities – workshops

- To provide assistance with improving of the information system (software) for intervention storing according to EU requirements

- To help with preparation of the procedures of intervention sell for different types of sell (on the domestic market of the member state, on the EU internal market, market of third countries, for the most deprived people of the Community (charitable organisations). At the present time intervention purchase is carrying out only, not yet the intervention sale

- Training of 20-30 participants from APA, State Veterinary and Food Administration (SVFA), Ministry of Agriculture SR (MoA SR) on “Methodology and procedures for implementation of intervention system and its inspection” in total 3 days

- Information campaign of intervention mechanisms for warehousemen, applicants in order to disseminate information on possible intervention mechanisms to all potential applicants (4 regional meetings for applicants - 800 participants). Target group mainly small farmers and other agricultural companies. The reason for organising these meeting is that the system is used mainly by large agricultural companies while small ones are not informed properly

- Preparation and printing of information brochures regarding intervention (7000 copies, available at regional APA offices). The brochure will cover all the commodities described below (cereals, starch, ANNEX and NON ANNEX I products, dry fodder, flax, tobacco, hemp) and will serve the applicants as a guide book.

- Study visit to EU member state – visit of intervention/paying agency focused on information system head office, visit of warehouse – also focused on information system -data processing into database of intervention warehouse. Number of participants 5 with duration of 2 – 3 days.
B. Reinforcement of the implementation and inspection of mechanisms in the potato starch sector

Currently the measure has not been used due to low awareness of the potential applicants.

- To work out the analysis of the current system and verification of internal methodical procedures in the potato starch sector (analysis of legislative framework – especially the rules on the national level, internal methodological progress – manuals of APA) and recommendation of measures
- To assist with the preparation of the methodological instruction for application of mechanisms in the potato starch sector which is not yet in place.
- To improve the CMO control system for mechanisms in the potato starch sector mainly at regional level through educational/training activities – workshops
- Presentation of mechanisms in the potato starch sector for processors, applicants in order to disseminate information on possible intervention system on potato starch (1 workshop, 10-15 participants)
- Training of 10-15 APA, State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) staff, on “Methodology and procedures for implementation of intervention system and its inspection of the potato starch sector”
- Study visit to EU member state – visit of intervention/paying agency focused on head office and producer/processor of potato starch. Number of participants 3 with duration of 2 – 3 days.

C. Enhancement of the application and inspection of the export refund system for ANNEX a NON ANNEX I products

- Analysis and verification of internal methodical procedures for trade mechanisms (analysis of legislative framework – especially the rules on the national level, questionable parts of internal methodological progress – manuals of APA) and recommendation of measures
- To improve the control system of APA especially in connection with delegated bodies which is not yet properly implemented
- Presentation of individual tools of trade mechanisms for applicants in order to disseminate information on these tools (4 regional meetings, 50 participants)
- Training of 10-15 staff from APA and another relevant external institutions (Customs Office, Veterinary Administration) (10-15) on “Methodology and procedures for implementation of export refund instrument
- Study visit to EU member state – visit of intervention/paying agency focused on paying agency and bodies involved into the system of trade mechanisms. Number of participants 5 with duration of 2 – 3 days.

Duration: 4 months

D. Reinforcement administration and inspection of market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp)

Flax and hemp measures are currently not being implemented.

- Analysis and verification of internal methodical procedures in the sector of other commodities (analysis of legislative framework – especially the rules on the national level, questionable parts of internal methodological progress – manuals of APA) and recommendation of measures
- Practical exercise on administration of actual applications – especially questionable cases – flax and hemp
- To improve the control system of APA especially in connection with delegated bodies mainly at regional level.
- Training of 10-15 APA, Custom Authority, SVFA and MoA SR staff on “Methodology and procedures for implementation of the market organisation tools in the sector of other commodities”
- Presentation of individual tools in the sector of other commodities for applicants (4 regional meetings, 50 participants)

Duration: 4 months

Means:

Profile of experts:

**Key expert No. 1: Expert for EU intervention system for cereals, activity A**

Qualification and skills
- university graduates in Agriculture and/or Economics
- good command of English and computer literacy
- management skills in the relevant areas

General professional experience
- minimum 7 years of professional experience

Specific professional experience
- experience with intervention purchase and sale in EU countries
- knowledge of EU regulations related to intervention system for cereals

**Key expert No. 2: Experts for inspection of EU-intervention system for cereals, activity A**

Qualification and skills
- university graduates in Agriculture and/or Economics
- good command of English and computer literacy
- management skills in the relevant areas

General professional experience
- minimum 7 years of professional experience

Specific professional experience
- experience with inspection of CMO (cereals) in EU countries
- knowledge of EU regulations related to inspection CMO

Key expert No. 3: Experts for export refunds for ANNEX and NON ANNEX I products, activity C

Qualification and skills
- university graduates in Agriculture and/or Economics
- good command of English and computer literacy
- management skills in the relevant areas

General professional experience
- minimum 7 years of professional experience

Specific professional experience
- experience with export refunds for ANNEX and NON ANNEX I products in EU countries
- knowledge of EU regulations related to export refunds system

Key expert No. 4: Experts for inspection of export refunds for ANNEX and NON ANNEX I products, activity C

Qualification and skills
- university graduates in Agriculture and/or Economics
- good command of English and computer literacy
- management skills in the relevant areas

General professional experience
- minimum 7 years of professional experience

Specific professional experience
- experience with inspection of export refunds for ANNEX and NON ANNEX I products in EU countries
- knowledge of EU regulations related to inspection of the export refunds system

Key expert No. 5: Experts for market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp), activity D

Qualification and skills
- university graduates in Agriculture and/or Economics
- good command of English and computer literacy
- management skills in the relevant areas
General professional experience  
- minimum 7 years of professional experience

Specific professional experience  
- experience with market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp) in EU countries  
- knowledge of EU regulations related to market organisation tools

Key expert No. 6: Project Manager

Qualification and skills  
- university graduates in Agriculture and/or Economics  
- good command of English and computer literacy  
- management skills in the relevant areas

General professional experience  
- minimum 8 years of professional experience  
- at least 8 years of experience in managing EU funded projects  
- knowledge of agricultural sector in SR

Specific professional experience  
- be familiar with support schemes provided by the EU Common Agricultural Policy  
- be experienced in the organisation of the Slovak APA

Other experts

The nature of the proposed activities shall require input of various short-term expertises. Short-term experts that are envisaged to participate in the implementation of the project activities are expected from the areas:

- inspection of EU-intervention system for cereals  
- mechanisms in the potato starch sector  
- inspection of export refund system for ANNEX a NON ANNEX I products  
- market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp)

These experts should be adequate graduates in the relevant field, English language skills and professional experience (5 years) are taken for granted.

Expert Time Input

Activities indicated above will require highly specialised and professional Technical Assistance. The project activities will require the following amount of experts:

<table>
<thead>
<tr>
<th>Staff</th>
<th>Man/days</th>
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<tbody>
<tr>
<td>Key experts:</td>
<td></td>
</tr>
<tr>
<td>Key expert 1: Experts for EU-intervention system for cereals,</td>
<td>40</td>
</tr>
<tr>
<td>(activity A)</td>
<td></td>
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<td>---</td>
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<tr>
<td>Key expert 2: <strong>Experts for inspection of EU-intervention system for cereals, activity A</strong></td>
<td>30</td>
</tr>
<tr>
<td>Key expert 3: <strong>Experts for export refunds for ANNEX and NON ANNEX I products, activity C</strong></td>
<td>40</td>
</tr>
<tr>
<td>Key expert 4: <strong>Experts for inspection of export refunds for ANNEX and NON ANNEX I products, activity C</strong></td>
<td>30</td>
</tr>
<tr>
<td>Key expert 5: <strong>Experts for market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp), activity D</strong></td>
<td>40</td>
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<tr>
<td>Key expert 6: <strong>Project Manager</strong></td>
<td>80</td>
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</table>

**Non-key experts:**

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<table>
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<tbody>
<tr>
<td>Experts for mechanisms in the potato starch sector (activity B)</td>
<td>30</td>
</tr>
<tr>
<td>Experts for inspection of mechanisms in the potato starch sector (activity B)</td>
<td>20</td>
</tr>
<tr>
<td>Expert for inspection of market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp), activity D</td>
<td>30</td>
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</table>

**Total man/days**: 340

The number of man-days and the number of experts is preliminary, and may be subject of adjustment in the Terms of Reference (ToR). The ToR will specify more detail breakdown according to the activities.

### 3.5 Lessons learned

The 2001 twinning project “Agricultural Paying Agency (for EAGGF)” apart from having been a very successful and innovative one by producing in some cases better results that had been anticipated, has produced the following conclusions and recommendations that are sought to be met through the project:

- In order to really and efficiently profit from results of the project, visits of MS experts should follow to support the staves of APA in calculating and approving the applications of export refunds.
- The Twinning, being only a beginning to convert and to apply the EU legislation, necessitate that the Slovak republic be further continuously developing in the area of question.
- Nevertheless the Twinning was a success, especially the theoretical part, it is a MUST the training of the practical work-flow goes on as the Twinning-implementation period was too short.

Since the system for market organization is too extensive, and after the APA had achieved the accreditation and subsequently has become prepared for real running, there has been continually left a good deal of errors and limitations being in need for getting rid of. It can only be achieved by carrying out a self-contained operation:
implementing the market organization instruments. That is why the CMO Department is concentrating mainly on 4 key cereals and export refunds, moreover on the high order number of applications, and on the other hand, on the areas having been kept unexercised (no applications have been undertaken yet) – that of the starch, and some other commodities.

4. Institutional Framework

Beneficiary of the project is Market Organisation Section of APA. The Ministry of Agriculture of SR (MoA SR) as the managing authority is responsible for the policy of Market Organisation Schemes. The Agricultural Paying Agency is responsible for managing the EAGGF direct payments and other support schemes, its administering and controlling.

The system of management, implementation, control and payments was verified by an external auditor company in the frame of pre-accreditation audit of APA. APA was given a temporarily accreditation by the MoA, as the managing authority, on 15.06.2004. Herewith APA is authorised to carry out the activities in the line with the act no. 473/2003 Coll. of law. The accreditation was given in order to provide support within Guarantee Section EAGGF, FIFG and National Support under the condition to fulfil the tasks related to solving of findings identified in the course of pre-accreditation audit.

The Phare PIU at the Department of Foreign Affairs of the Ministry of Agriculture will ensure the administration of the project implementation. The co-ordination and mutual information exchange within the beneficiary organisation during the project implementation will be ensured at regular meetings of the Steering Committee established for the project implementation. Representatives of APA, MoA SR, CFCU and the project team will be members of the Steering Committee.

5. Detailed Budget

<table>
<thead>
<tr>
<th>€M</th>
<th>Transition Facility support</th>
<th>Co-financing</th>
<th>Total cost (TF plus cofinancing)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total Transition Facility (=I+IB)</td>
</tr>
<tr>
<td>T.A.</td>
<td>0.35</td>
<td>0.35</td>
<td>0.35</td>
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<tr>
<td>Total</td>
<td>0.35</td>
<td>0.35</td>
<td>0.35</td>
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</tbody>
</table>

(*) contributions form National, Regional, Local, Municipal authorities, FIs loans to public entities, funds from public enterprises
(**) private funds, FIs loans to private entities
6. Implementation Arrangements

6.1 Implementing Agency

<table>
<thead>
<tr>
<th><strong>CFCU:</strong></th>
<th>Central Finance and Contracting Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PAO:</strong></td>
<td>Mrs. Silvia Czuczorová</td>
</tr>
</tbody>
</table>
| **Address:** | Štefanovičova 5  
817 82 Bratislava 15  
Slovak Republic | **Telephone:** | +421 2 59 58 25 45 |
|           |  
Fax: +421 2 59 58 25 59  
e-mail: cfcu@mfsr.sk |

6.2 Beneficiary Institutions:

Ministry of Agriculture of the Slovak Republic

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Project Leader:  
Ing. Vadim Haraj, Director General  
Agricultural Paying Agency  
Dobrovičova 12, 815 26 Bratislava  
Tel.: + 421 2 592 66 396  
Fax: + 421 2 529 65 033  
e-mail: vharaj@apa.sk

6.3 Non-standard aspects

N/A

6.4 Contracts

One contract is expected  
T.A. in amount of 0.35 MEUR

7. Implementation Schedule

7.1 Start of tendering/call for proposals: 4th Quarter of 2005
7.2 Start of project activity: 1st Quarter 2006
7.3 Project Completion: 1st Quarter 2007
8. **Sustainability**

APA is currently developing its administrative capacities and undergoing the process of institution building in order to fulfil requirements of pos-accession funds and as an authorised authority is prepared to secure sustainability of the projects outputs. The APA is staffed properly for the aim of sustaining of project results.

APA since its establishment has significantly strengthened its administrative capacity in all sections within the headquarters and in the regions.

Market Organisation Section has increased its staff from 42 in 2003 (it was a separate organisation – Intervention Agricultural Agency of the Slovak Republic) to 56 at the beginning of 2005. Further staff recruitment is ongoing and the section will be fully staffed (69 employees) as stated in the administrative capacity plan of APA by the end of 2005 i.e. before the project implementation will begin. Number, structure and ability of staff will fully ensure proper implementation of the project.

9. **Conditionality and sequencing**

The project is not conditioned to any other ongoing projects and can be implemented as stand-alone project.

Technical Assistance can be launched immediately after the successful tender procedure.

**ANNEXES TO PROJECT FICHE**

1. Logical framework matrix in standard format (compulsory)
2. Detailed implementation chart (compulsory)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)
4. List of relevant Laws and Regulations (optional)
### Annex 1: Transition Facility Logical framework matrix

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX FOR Project</th>
<th>Programme name and number</th>
<th>2005/017-464.01.01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinforcement of the Agricultural Paying Agency’s administrative capacity in the field of market organization</td>
<td>Contracting period expires 15/12/2007</td>
<td>Disbursement period expires 15/12/2008</td>
</tr>
<tr>
<td></td>
<td>Total budget: 0.35 MEUR</td>
<td>Transition Facility budget: 0.35 MEUR</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stabilisation of food and agricultural commodity market through reinforcement of the market organization system in the Agricultural Paying Agency</td>
<td>• All CMO scheme procedures ready for implementation</td>
<td>• APA Annual Reports  • Manual for each commodity</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrading of the intervention system for selected commodities (cereals, potato starch, dry fodder, flax, tobacco, hemp)</td>
<td>• CMO cereals administrative and inspection procedures ready for implementation by the end of project  • Administrative and inspection procedures in the starch sector ready for implementation by the end of project  • Commodity specific templates and forms are ready by the end of project  • Administrative and inspection procedures prepared for implementation in the sector of dry fodder, flax, tobacco, hemp by the end of project</td>
<td>• Administrative Procedures, guidelines, manuals  • Forms and templates  • Procedures, Inspection guidelines, manuals  • Templates, checklists and forms  • Procedures, guidelines, manuals</td>
<td>• Industry representatives in weak sector interesting and cooperating with APA  • New, or amended legislation in the relevant areas is not enacted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Area of the intervention system for cereals</td>
<td>• Positive assessment of the DG Agri</td>
<td>• JMC monitoring reports</td>
<td>• Project is timely and</td>
</tr>
</tbody>
</table>
Analysis on current administration of the intervention system targeted on compliance with the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the intervention mechanisms were given.

Recommendations for control and inspection system for intervention stocks were provided.

Information system for intervention storing is up-graded.

20 – 30 APA personnel, that of the State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) one, are trained and skilled in “Methodology and procedures for implementation of intervention system and its inspection”

Industry representatives in the field of cereal intervention trained on conditions and procedures of cereal intervention are informed.

Study visit is carried out.

Information brochures are prepared and printed.

B. Potato starch sector

Analysis on current administration of the intervention system of the potato starch

<table>
<thead>
<tr>
<th>Audit missions</th>
<th>Submitted twice a year (with detailed information on the relevant issues in question)</th>
<th>Professionally coordinated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total 50-75 trained staff from APA, SVFA, CD, CCTIA for individual CMO schemes</strong></td>
<td><strong>Implementation Status Report submitted by NAC twice a year (with detailed information on the relevant issues in question)</strong></td>
<td><strong>Relevant staff is available in full-time missions activities</strong></td>
</tr>
<tr>
<td><strong>3600 industry representatives involved in the campaign/regional meetings/workshops</strong></td>
<td><strong>DG Agri mission reports</strong></td>
<td></td>
</tr>
<tr>
<td><strong>7000 brochures printed</strong></td>
<td><strong>List of participant and/or certificates</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>List of participants and letters of invitations</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Provisional acceptance protocol</strong></td>
<td></td>
</tr>
</tbody>
</table>
targeted on compliance with the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the potato starch sector is given.

Presentation of the recommendations for control and inspection system in the potato starch sector is provided.

Trained 10-15 APA, State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) staff, on “Methodology and procedures for implementation of intervention system and its inspection of the potato starch sector” are trained.

Potato starch industry representatives are trained on conditions and procedures of starch intervention (15 participants)

Study visit is carried out.

Information brochures are prepared and printed.

C. Area of export refund system for ANNEX and NON ANNEX I products

Analysis on current administration of the export refund system for ANNEX and NON ANNEX I products targeted on compliance
with the EC regulations, including specific case simulation and procedures prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the export refund system for ANNEX and NON ANNEX I products are given.

Presentation of the recommendations for inspection system for export refund is given.

Staff of APA and another relevant external institutions (Customs Office, Veterinary Administration) are trained (10-15) on “Methodology and procedures for implementation of export refund instrument

Agriculture and processing sector representatives are trained on individual tools of trade mechanism for export refund i.e. conditions and procedures (50 participants)

Study visit is carried out.

Information brochures are prepared and printed.

<table>
<thead>
<tr>
<th>D. Area of other commodities (dry fodder, flax, tobacco, hemp)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analysis on current administration and inspection of market organisation tools in the sector of other commodities (dry fodder, flax, tobacco, hemp) targeted on compliance with</td>
</tr>
</tbody>
</table>
the EC regulations, including specific case simulation and procedures is prepared by EU experts.

Recommendations for up-grade of methodological guidelines for implementation of the market organisation tools in the sector of other commodities are given. Presentation of the recommendations for inspection system in connection with delegated bodies is provided.

Trained 10-15 APA, State Veterinary and Food Administration (SVFA), and Ministry of Agriculture SR (MoA SR) staff are trained, on “Methodology and procedures for implementation of the market organisation tools in the sector of other commodities

Industry representatives in the field of other measures for market organisation are informed about conditions and procedures (50 participants)

Information brochures are prepared and printed.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| A. Technical assistance for strengthening of administration, implementation and inspection of EU-intervention system for cereals (special focus on intervention sales) | Technical assistance input | • Project is timely and professionally coordinated  
• Relevant staff is available in full-time missions activities |
<p>| B. Reinforcement of the implementation and inspection of mechanisms in the potato starch | | |</p>
<table>
<thead>
<tr>
<th>sector</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>C. Enhancement of the application and inspection of the export refund system for ANNEX a NON ANNEX I products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Area of other commodities (dry fodder, flax, tobacco, hemp)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Annex 2: Detailed Implementation Chart

<table>
<thead>
<tr>
<th>Project Component</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
</tr>
<tr>
<td>T.A.</td>
<td>T</td>
<td>I</td>
<td>I</td>
</tr>
</tbody>
</table>

T - Tendering  
I - Implementation

Annex 3: Cumulative Contracting and Disbursement Schedule

<table>
<thead>
<tr>
<th>Project Component</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
<td>4Q</td>
</tr>
<tr>
<td>Contracted</td>
<td>0.35</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Annex 4: List of relevant Laws and Regulations


Commission Regulation (EC) No 824/2000 of 19 April 2000 establishing procedures for the taking-over of cereals by intervention agencies and laying down methods of analysis for determining the quality of cereals

Commission Regulation (EC) No 2148/96 of 8 November 1996 laying down rules for evaluating and monitoring public intervention stocks of agricultural products Corrected by.. 396R2148R(01)..... Amended by.... 399R0808........ Amendment ANN 3 from 24/04/1999

Commission Regulation (EEC) No 2131/93 of 28 July 1993 laying down the procedure and conditions for the sale of cereals held by intervention agencies

Council Regulation (EEC) No 3730/87 of 10 December 1987 laying down the general rules for the supply of food from intervention stocks to designated organizations for distribution to the most deprived persons in the Community

Council Regulation (EC) No 2535/95 of 24 October 1995 amending Regulation (EEC) No 3730/87 laying down the general rules for the supply of food from intervention stocks to designated organizations for distribution to the most deprived persons in the Community

Commission Regulation (EEC) No 3149/92 of 29 October 1992 laying down detailed rules for the supply of food from intervention stocks for the benefit of the most deprived persons in the Community

Commission 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 (EEC) No 2776/88


Commission Regulation (EC) No 800/1999 of 15 April 1999 laying down common detailed rules for the application of the system of export refunds on agricultural products

Commission Regulation (EC) No 1520/2000 of 13 July 2000 laying down common detailed rules for the application of the system of granting export refunds on certain agricultural products exported in the form of goods not covered by Annex I to the Treaty, and the criteria for fixing the amount of such refunds.

