1. Basic Information

1.1 CRIS Number (Year 1):

1.2 Title: Establishment of a Pilot Turkish Farm Accountancy Data Network (FADN)

1.3 Sector: Agriculture

1.4 Location: Turkey (Agro-climatic Regions of Central-North, Aegean, Marmara, Mediterranean, North-East, South-East, Black sea, Central East, Central-South).

1.5 Duration: 24 months

2. Objectives

2.1 Overall Objective(s):

The overall objective of the project is to establish an adequate administrative and legal structure for the implementation of Farm Accountancy Data Network (FADN) in compliance with EU requirements, in order to provide reliable economic and financial data on the Turkish agricultural sector and agricultural holdings to the EC and Turkish policy makers.

2.2 Project purpose:

To introduce the FADN system in 9 provinces of Turkey with the implementation of pilot studies and establishment of legal and administrative framework in accordance with the relevant EU legislation at national, regional and farm level.

2.3 Accession Partnership (AP) and NPAA priority

2005 Accession Partnership

There is no direct reference for FADN in the Accession Partnership. However under Agriculture section, the following short term priority is taken as the basis for establishment of the FADN:

Short Term- Adopt the necessary legislative measures and set up suitable administrative structures to operate EU instruments related to rural development.

Medium term - Continue work on the setting up of the Integrated Administration and Control System, in particular with regard to a land parcel identification system.

National Programme on the Adoption of the Acquis (NPAA), (Official Gazette Dated 24 July 2003 No. 25178 bis)

Chapter IV, 7- Agriculture
Establishment of a FADN system and its effective implementation is defined under PRIORITY 7.1 Alignment to the Arrangements on Horizontal Issues. Task 7.1.2 Establishment of Farm Accountancy Data Network (FADN) under this priority states that:

“There are some similarities between the agricultural structure inspection method used in some regions and enterprises in Turkey since 1998 and the practices of the Farm Accountancy Data Network (FADN) legislation. With regard to FADN, survey study of year 2001 is carried out in 78 provinces. The survey study will be carried out again in 2003 on the basis of variables determined according to the FADN variables.

The studies have shown that the infrastructure required for the implementation of the system exists, but nation-wide implementation requires significant amount of financial resources.

FADN is handled in the 2003 Accession Partnership Document under the medium-term priority of “adopt(ing) the legal basis, administrative structures and implementation mechanisms for the establishment of common market organisations and effective monitoring of agricultural markets”. Since FADN is a system which can be used efficiently in developing Turkey’s agricultural policies by obtaining detailed data on economic size and type from agricultural enterprises, harmonisation of the legislation and establishment of institutional capacity is set as an objective.”

Then NPAA identifies necessary legislative changes and their timetables, institutional requirements for the establishment and implementation of FADN such as establishment of the National FADN Consultative Committee and Regional Committees, assignment of the competent authority for FADN, training etc.

2.4 Contribution to National Development Plan (and/or Structural Funds Development Plan/SDP)

Not applicable

2.5 Cross Border Impact

Not applicable

3. Description

3.1 Background and justification:

The Farm Accountancy Data Network (FADN) which was established in 1965 with Council Regulation (EEC) No 79/65 is a survey carried out by the Member States of the European Union. Derived from national surveys, the FADN is the most important source of micro-economic data that represents the commercial agricultural holdings in the Union. Holdings are selected to take part in the survey on the basis of sampling plans prepared at regional level in the Union. Each sample farm provides bookkeeping data that reveal detailed information on the output as well as costs and profit of the farm.

The accountancy data of approximately 80,000 sample agricultural holdings - representing nearly 5,000,000 farms of EU-25, covering approximately 90 % of the total utilized agricultural area (UAA) and more than 90 % of the total agricultural production - is collected by annual sampling. The information collected from each sample farm concerns approximately 1000 variables and is transmitted by Liaison Agencies.

FADN-data is an important tool for supplying information and executing analysis for decision takers. The collected data is also used in research studies by the universities and for consultancy for farmers by extension services and accountants. To ensure the
co-operation of the farmers, they are provided with data on their own and comparable farms (benchmarking) and strict guarantees are given on the confidentiality of their data.

In Turkey, as there is no legal basis, there isn’t any data generated specifically on the accountancy of the agricultural holdings due to lack of resources, unwillingness of farmers to share information and also the lack of demand for farm data suitable to FADN by the policy makers within the framework of agricultural policies used to support the sector.

State Statistics Institute is responsible for collecting data but there hasn’t been any initiative to establish a separate farm accountancy data collection system especially on farmers’ income, expenses and gross margin for the farms oriented to the market for broad policy analysis. Therefore the self-sustained farms responding to the farm family requirements only were also mixed with the market oriented production entities. Given the agricultural data collected with traditional approaches it is almost impossible to keep track of farm incomes, expenses and other economic indicators. It is absolutely necessary to set a new and efficient system of collecting farm accountancy data based on the required format of questionnaires if Turkey is to abide with the EU requirements for policy making analysis.

The Ministry of Agriculture and Rural Affairs (MARA) has been implementing, Agricultural Reform Implementation Project (ARIP) partly financed by the World Bank since 2000. With this project and as a result of the need to harmonize the Turkish agricultural policies towards in line with the EU CAP, Turkey introduced the Direct Income Support (DIS) and removed agricultural input subsidies and market intervention policies. MARA has initiated and almost completed the farmer registry system based on land ownership through DIS. There have been 2.8 million applications by farmers so far and records such as land size, type of cultivation, animal and agricultural machinery stocks etc., are all kept in the database of DIS system. However, MARA does not have adequate and sufficient statistical data needed for farm accountancy as is explained above.

3.2 Sectoral rationale

The overall objective of the project is to establish FADN at regional and farm level in compliance with the EU requirements and the project foreseen for 2006 programming is a pilot project which will be implemented in 9 provinces representing 9 regions. After establishing the legal and administrative framework for FADN with this project, another project extending the scope to nationwide will be proposed for the next programming period of EU-Financial Assistance. To ensure the participation of all farmers additional income support will be provided from the state budget.

3.3 Results

1. The necessary legislation prepared and the administrative body for the implementation of FADN system is established.

2. The physical infrastructure and institutional capacity required for the implementation of FADN is in place (including training of staff on techniques and methodologies for collecting and organizing farm data at central level and introducing FADN to farmers and encouraging them to participate in the network in the pilot provinces to be determined).
3. Turkish FADN system is implemented in nine pilot provinces (which in future will act as Regional Offices) to be selected on the basis of 9 agro-climatic regions of Turkey through the regional agencies established by MARA (See section 4 for the details regarding the agro-climatic regions).

3.4 Activities (including Means)

Activities will be carried out through equipment supply and twinning.

The Twinning counterpart/s will provide the services listed below to obtain the results No. 1, 2 and 3:

1.1. Assistance to the performance of necessary arrangements for the establishment of system:

- The counterpart will be supplied with necessary information and complementary knowledge about the nine agro-climatic regions and the provinces within those regions, the farm structures of the provinces.

- Preparation of the assessment report including the strategy for the implementation of FADN system in Turkey according to the experience gained in the MSs. With the strategy the 9 pilot provinces in the nine agro-climatic regions will be determined. The 9 provinces in which the system is established will act as Regional Offices in the future. The strategy includes the expansion of FADN network to the rest of the provinces.

- The strategy will also determine the number of farmers which will be included in the pilot implementation of FADN in the selected provinces and the number of farmers to be included in the system for the whole country.

- The strategy will also determine the different means to encourage the farmers to participate to the system voluntarily. The means could be granting of extra direct payment to the farmer from state budget, training, for the farmers participating in the system giving priority when granting the DIS (explained in section 3.1) etc. The implementing arrangements and the amount of payment to be granted should be determined.

- The strategy will also explain how data will be collected, verified, put into the system and processed and how cross checks are made. Also the

1.2. Assistance for the preparation of national legislation and assistance for the determination and implementation of other necessary regulatory requirements in line with EU acquis:

- Determination of job and responsibility description for NGOs and state organizations such as the Union of Farm Chambers (TZOB) and State Institute of Statistics (SIS) are carried out.

- The National Advisory Committee (composed of representatives from various related organizations such as TZOB, SIS and Agricultural Colleges) is established.

- The Regional Committees associated with FADN are prepared and put in work.

- Necessary implementing regulations, by-laws, guides and other regulatory booklets are designed and published as depicted and foreseen in the Law of Agriculture expected to be approved by the Parliament.
1.3. Training of MARA staff allocated for FADN:

- Based on the technical guides written or announced by the EU authorities, training with emphasis on the critical aspects of the program is given to the personnel from MARA and 9 provinces selected as well as those from SIS and TZOB who will take part in the FADN activities.

- Personnel mentioned above are sent to the twinning country (or countries) for local observation and perhaps on-the-job work while FADN implementation is taking place wherever that may be. This short-term study tours may be carried out in consecutive step-wise approach.

1.4. Initializing the collection of farm statistics from designated farmers who will be chosen in line with the EU standards.

- Assistance to the Framework Contractor responsible for the preparation of the Technical Specifications for the establishment of the database of FADN. The data collected from the farmers will be recorded to the database established within the project. For this purpose a Framework Contractor will prepare the technical specifications for the procurement of software-hardware and IT security for the database to be established. The technical specifications to be prepared should be in line with EU standards and should be prepared on the basis of meeting the requirements of relevant FADN legislation of the EU. For these activities mentioned above Framework Contractor may cooperate with one of the service providers in Turkey. MARA staff will also support the Framework Contractor as regards relevant needs required for the database. The Framework Contractor will be comprised of at least three IT experts responsible for business analysis, system analysis, solution design, high level data modelling, security design and developing technical specifications, one expert responsible for legal alignment, one domain expert and one expert on institutional aspects. The expert input for the Framework Contract is given in Annex 4.

- The population in the selected 9 provinces made of commercial farms (market oriented entities) are determined based on our National Farm Registration Data Base and are refined to meet the EU requirements by including or excluding farm families that might not be fitting the objectives. For the latter local experts and EU advice in the light of Twinning or TA will be used to facilitate the right selection. The population finalized shall form the target farms from which Farm Accountancy data are to be collected.

- In order to familiarize the local administrative heads e.g., village heads (Muhtar) as well as those farmers in the chosen population for FADN informative and educative gatherings and workshops are implemented in order to attract desire and voluntary help for data collection. At the same time additional payments from the state budget will be granted and other means to encourage farmers will be used according to the strategy developed under 1.1. The data collected will be entered to the database established by the Framework Contractor by “FADN Form Processing (FFP) which will be established by MARA with the help of Twinning Counterpart (details are given in section 4).

Means/Inputs

- FADN Advisory Committee (explained in section 4 and 6)
- Framework Contract – will be financed from the Project Preparation Facility
- One Standard Twinning contract (the duration of the contract will be 18 months; with a Resident Twinning Advisor (RTA) from the MS and Project Leaders for both MS and CC, in addition to a package of short term missions and specialist training, and there will be a contracting phase of 3 months, where the MS and CC partners jointly define the work schedule).
- The expert input will be:

  **MS Project Leader (24 months)**

  **Tasks of the PL:**
  - Assists the Resident Twinning Advisor (RTA) with the project management
  - Monitoring and guidance of the whole project
  - Provision of legal and technical advice and analysis
  - Overviews the development of all key project outputs

  **Profile the PL:**
  - 15 years working experience
  - Working experience in FADN-EU structures or other Accessions countries
  - Fluent English and good computer literacy
  - Excellent inter-cultural communication skill

  **Profile of the RTA (Resident Twinning Advisor) (24 months)**
  - Relevant experience in setting up and administering FADN in a MS.
  - Knowledge and experience in setting up, the administration and operation of the FADN system (a senior civil servant with proven experience in FADN, particularly with on-the-job experience preferably in one or more member countries of the EU).
  - Strong communication facilities, ability to work in difficult environments with local experts
  - Good links and cooperation with EU professionals and FADN-related institutions in MSs.
  - Educational and professional background both in the fields of agriculture and economy (professional experience at least 10 years). Fluent English and good computer literacy required.

  **Short term experts: 2 men 8 months**

  **Task of the ST experts:**
  - Assistance in preparation of the manuals for monitoring and evaluation of FADN,
  - Training of beneficiary institutions staff on FADN system.

  **Profile of the ST experts:**
  - 10 years professional experience on FADN system.
  - Good English language skills and be computer literate.

**Supply of equipment to obtain Result No: 2 and 3**

Supply of equipment is required for the implementation of FADN system. The 9 selected MARA provincial directorates will be equipped for data entering and training needs. The
detailed list of equipment and their justification is given in Annex VI. Procurement of relevant hardware, software and other equipment needed for FADN includes:

- Software on FADN in line with that of the EU requirements and customized to the users is finished and the Beta version is issued.
- Enhancement of the FADN software is carried out in light of any errors or inconveniences encountered during the first implementation period by the supplier.
- Purchasing and furnishing necessary equipment needed by FADN and other related activities is completed and installed.

Means

One supply contract

3.5 Linked Activities:

The **Agricultural Census** conducted in 2001 by the State Institute of Statistics (SIS) brought about some accountancy data more or less similar to data required by FADN system. The census included 9854 households in 766 villages throughout the country in order to find out the structure of agricultural holdings. However this survey doesn’t include all agricultural subsidies and relevant data (input and credit subsidies, direct income support which is being implemented since 2001, etc.).

Under the “Upgrading the statistical system of Turkey” project carried out by SIS a framework contract “Assessment of 5 main data providers of the Turkish Statistical System” was conducted. This project and FWC isn’t related to the FADN system required by relevant EU legislation. In addition the final report of the above mentioned FWC includes a recommendation for the provision of technical assistance for the MARA to establish the system. The executive summary of the Final report of the FWC is given in Annex-7.

3.6 Lessons learned:

2001 general agricultural census SIS also tried to perform ESS (Economic Structure Survey) in agricultural holdings and setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Economic Community. Unfortunately a basis for FADN could not be constructed as a result of this study.

Primary reasons of this outcome are as follows:

a. Reliable samples which would be used for FADN could not be generated due to absence of a primary registry system for agricultural holdings like National Registry of Farmers (NRF) system deployed since 2001 (Registering of agricultural holdings information as well as land owner and land information such as agricultural parcels, products electronically) by MARA.

b. There were difficulties in providing the required number and qualification of the personnel involved, thus the studies were interrupted.

c. In that period, lack of cooperation of and communication between SIS and MARA caused insufficient use of MARA’s countrywide organization and personnel.

SIS will provide support in terms of statistical methodologies which take place in FADN System, such as statistical analysis methods, training of surveyors and preparation of questionnaire forms, and by means of personnel such as surveyors.
Establishment of FADN System was seriously considered by MARA before and during EU Screening Process.

4. Institutional Framework

Research Planning Coordination Council (RPCC) of MARA is authorized and also made responsible for formulating the policies and strategies on agricultural and rural development in line with the priorities of the national development plans. As the pivot departments of RPCC, the **Information and Computer department** and the **Research & Statistic Department** will be responsible for setting up, administering and operating the Turkish - FADN system on behalf of MARA in close coordination with other public institutions such as State Institute Statistics (SIS) and Agricultural Chambers (TZOB). A FADN Advisory Committee will be established under the project and the members of the Committee will be the Steering Committee of the project (given in section 6), representatives from SIS, Agricultural Chambers and Agricultural Colleges. The Advisory Committee will take place in all decision taking processes of the project (definition of the strategy, training of the personnel and the pilot implementation). All the twinning activities will be collaborated with the advisory committee. A protocol will be signed between MARA and the institutions mentioned above which will be in force until the establishment of National Advisory Committee is established by the project. The pilot implementation includes the establishment of FADN system in the 9 selected provinces within the 9 agro-climatic regions. The provinces in which the FADN system is established will act as Regional Agencies will be responsible for delivering the FADN forms to farmers who is chosen from activities done in collaboration with SIS and collecting them back from and send them to IT department of MARA. The data collected will be verified according to the strategy developed by the Twinning counterpart and the Advisory Committee.

IT department of MARA will be responsible for establishment of a special unit within department called “FADN Form Processing (FFP)” after receiving the forms from regional offices and also processing, publishing and dissemination with the close collaboration with SIS as data sets. IT department, Research and Statistics Department of MARA will be responsible for the analysis of data generated from FADN for policy/decision makers.

For the establishment of FADN, RPCC will appoint project coordinators for each of the components of FADN. These coordinators will be responsible for different phases of the project and report to the Liaison RPCC. During the first phase of the implementation of FADN, the sample of farm holdings to be determined from 9 provinces in the 9 agro-climatic regions covering 100 districts will determine the source of information needed for FADN. Accordingly personnel for the mentioned districts will be identified and held responsible for the collection and dissemination of farm accountancy data.

Turkey is divided into 9 different agricultural regions given below in terms of climatic, soil structure, and ecological criteria.

<table>
<thead>
<tr>
<th>Region</th>
<th>Av. Temp °C</th>
<th>Days with humidity</th>
<th>Days with snow</th>
<th>Principal Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central-North</td>
<td>11</td>
<td>60</td>
<td>22</td>
<td>Rain fed cereals, food and forage legumes. Extensive small ruminants, intensive dairy cattle.</td>
</tr>
<tr>
<td>Region</td>
<td>Land</td>
<td>Space</td>
<td>Proportion</td>
<td>Agriculture and Livestock Activities</td>
</tr>
<tr>
<td>-----------------</td>
<td>------</td>
<td>-------</td>
<td>------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Aegean</td>
<td>16</td>
<td>65</td>
<td>0</td>
<td>Rain fed cereals, olives, citrus, grapes, tomatoes, vegetables, figs, irrigated cotton, tobacco. Extensive small ruminant and beef cattle, intensive dairy cattle. Proximity to main Turkish towns and export markets.</td>
</tr>
<tr>
<td>Marmara</td>
<td>14</td>
<td>70</td>
<td>10</td>
<td>Cereals, sunflower, olives, tomatoes, fruit and vegetables, poultry. Important cattle region.</td>
</tr>
<tr>
<td>Mediterranean</td>
<td>18</td>
<td>62</td>
<td>0</td>
<td>Rain fed and irrigated cereals, olives, cotton, citrus, maize, fruit and vegetables. Significant goat meat production, other livestock less important. Proximity to main Turkish towns and export markets.</td>
</tr>
<tr>
<td>North-East</td>
<td>7</td>
<td>60</td>
<td>100</td>
<td>Mainly extensive livestock production and Subsistence cereal production.</td>
</tr>
<tr>
<td>South-East</td>
<td>8</td>
<td>50</td>
<td>1-80</td>
<td>Rain fed cereals and food legumes, irrigated cotton, nuts, grapes, fruits. Extensive sheep and goats. Increasing use of irrigation (GAP project).</td>
</tr>
<tr>
<td>Black Sea</td>
<td>14</td>
<td>75</td>
<td>10</td>
<td>Rain fed hazelnuts, vegetables, maize, sugar beet, tea. Local cattle production and extensive sheep rising.</td>
</tr>
<tr>
<td>Central-East</td>
<td>12</td>
<td>55</td>
<td>30</td>
<td>Rain fed cereal, food legume production. Extensive small ruminant production, local and cross-bred cattle for milk</td>
</tr>
<tr>
<td>Central-South</td>
<td>11</td>
<td>60</td>
<td>22</td>
<td>Rain fed cereals, food legumes, sugar beets, vegetables and forage production.</td>
</tr>
</tbody>
</table>

5. Detailed Budget

<table>
<thead>
<tr>
<th>Phare/Pre-Accession Instrument support</th>
<th>Co-financing</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>€</td>
<td>National Public Funds (*)</td>
<td>Other Sources</td>
</tr>
<tr>
<td>Year 2006 - Investment support jointly co funded</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply of Equipment</td>
<td>480.000</td>
<td>160.000</td>
</tr>
<tr>
<td>Investment support – sub-total</td>
<td>480.000</td>
<td>160.000</td>
</tr>
</tbody>
</table>

% of total public funds: max 75 %, min 25 %
10

Year Institution Building support

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning contract</td>
<td>600.000</td>
<td>(***)</td>
<td>***)</td>
<td>600.000</td>
</tr>
<tr>
<td>IB support</td>
<td>600.000</td>
<td>***)</td>
<td>***)</td>
<td>600.000</td>
</tr>
</tbody>
</table>

**Total project 2006**

|                     | 1.080.000 | 160.000 | 160.000 | 1.240.000 |

(*) The Government of Turkey will provide 25% co-financing in cash for the investment component of the Project. The national co-financing will be covered from the national budget. All running costs and maintenance of the equipment purchased under this project will be provided by the beneficiary. The same applies to software licenses.

(**) There will be a contribution from the state budget for the granting of payments to the farmer on the occasion of their participation to the FADN system. However as the number of farmers which will be involved in the system and the amount to be paid to those farmers will be determined with the strategy developed by the twinning counterpart and the Advisory Committee, the exactly. The amount of co-financing of Turkish government can be seen after the implementation of the project. Turkey’s contribution to the project to fulfil the Twinning co-financing requirements will cover provision of adequate office space and equipment for the Resident Twinning Advisor (RTA), organisational costs of trainings, seminars and workshops (rental fees for training and seminar venues, interpretation equipment, catering as well as international travel of trainees in the framework of study visits and traineeships) and other costs non-eligible for pre-accession funding, as specified in the “Reference Manual on Twinning Projects”.

1. All investment sub-projects supported by the pre-accession fund must receive co-financing from national public funds. Minimum requirement for co-financing from national public funds is 25% of the combined PHARE and national contributions to the overall investment support.

2. Many Institution building projects will also have a degree of co-financing – this should be quantified and included wherever possible.

3. Expenditure related to equipment (regulatory infrastructure or ESC-related) and to Technical Assistance supporting investment (e.g. pre feasibility study / supervision of works / technical specifications) should be considered as Investment support in the project fiche.

4. All co-financing must be provided on a joint basis. Parallel co-financing will, in a principle, not be accepted. Exceptions to this rule have to be agreed with the Commission in advance.

5. All co-financing should be clearly quantified, also the degree of certainty of such co financing (i.e. for National Public Funds: is it already earmarked in local or national budget, for FIs Loans, private funds: are they already approved/ under appraisal, etc.).

6. Where parallel co financing is accepted and justified per exception to the normal rule it should be provided in monetary form. If this is not possible there should be clear criteria set out for the valuation of any non-monetary contributions (that should be quantified in the table)

7. If twinning is involved, clearly state the expected budget of the twinning covenant
8. The financial engineering of the project should be closely monitored against actual delivery during implementation and against the objectives that were set in the project fiche so that corrective actions may be taken where required.

6. Implementation Arrangements

6.1 Implementing Agency

The CFCU will be the implementing agency and will be responsible for all procedural aspects of the tendering process, contracting matters and financial management, including payment of project activities. The Director of the CFCU will act as PAO of the project. His contacts are:

Mr. Muhsin ALTUN
Programme Authorising Officer
Central Finance and Contracts Unit
Tel: + 90 312 472 37 00
Fax: + 90 312 472 37 44
E-mail: muhsin.altun@cfcu.gov.tr

The details for the Beneficiary of the project are as follows:

Contact person:
Ministry of Agriculture and Rural Affairs
Nebi ÇELIK, Deputy Undersecretary
Eskişehir Road 9. Km. Lodumlu- Ankara, Turkey
Tel: 90-312 287 72 11
Fax: 90-312 287 33 33
E-mail: ncelik@tarim.gov.tr

Contact person:
Ministry of Agriculture and Rural Affairs
Adnan GÜLTEK Chairman of Research, Planning and Coordination Council
Eskişehir Road 9. Km. Lodumlu- Ankara, Turkey
Tel: 90-312 286 63 46
Fax: 90-312 286 58 64
E-mail: agultek@tarim.gov.tr

Project Leader will be the Deputy Undersecretary of MARA and the Senior Programme Officer will be the Chairman of Research, Planning and Coordination Council and their contacts are given above. The Project Leader will be responsible for the implementation and coordination of the project activities. The project team will be composed of the personnel of the PIU Unit within the MARA, a representative from EU Coordination Department of MARA, the twinning experts and the Delegation of the European Commission to Turkey. Steering Committee will follow the project implementation and the Advisory Committee (established with the project) will participate to the meetings of the Steering Committee. The representative institutions will be the beneficiaries as well but their role will be decided with the project.

6.2 Twinning

The beneficiary institution is the MARA, and the contact points are:

Contact person:
Nebi ÇELIK, Deputy Undersecretary
6.3 Non-standard aspects

The External Aid Manual with contract procedures will strictly be followed.

6.4 Contracts

There will be 2 contracts for a total of 1.240.000 EUR

7. Implementation Schedule

<table>
<thead>
<tr>
<th></th>
<th>Start Tendering/ Call for proposals</th>
<th>Start of Project Activities</th>
<th>Start of Project Completion</th>
<th>Value of Contract (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning Contract</td>
<td>January 2007</td>
<td>July 2007</td>
<td>December 2008</td>
<td>600.000</td>
</tr>
<tr>
<td>Equipment Supply Contract</td>
<td>July 2007</td>
<td>January 2008</td>
<td>June 2008</td>
<td>640.000</td>
</tr>
</tbody>
</table>

Framework Contract from the Project Preparation Facility for the preparation of Technical Specifications will be prepared until October 2006 and the technical specifications should be prepared until May 2007.

8. Equal Opportunity

MARA is an equal opportunity employer. Selection of staff and other personnel to work on the projects will be based on objective assessments of qualification and experience, without regard to gender.

9. Environment

The investment components of this Project all relate to Institution Building activities. The project itself will not have any adverse environmental impacts, other than those due to normal activities (e.g. transport).

10. Rates of return

Not applicable.

11. Investment criteria (applicable to all investments)

11.1 Catalytic effect

With the establishment of the FADN system in Turkey reliable information will be provided on Turkish agricultural sector. The establishment of the system is a precondition for Turkey to become a Member State. Also there is a catalytic effect of the project like providing information for the national income analysis and analysis of income distribution.

11.2 Co-financing
The Turkish Government will provide 25 % of co-financing of the investment support. EU will provide the 75 % of the investment support and 100 % of the institution building support. Also there will be a contribution from the state budget for the granting of payments to the farmer on the occasion of their participation to the FADN system. However as the number of farmers which will be involved in the system and the amount to be paid to those farmers will be determined with the strategy developed by the twinning counterpart and the Advisory Committee. The amount of these payments financed by the Turkish government can be specified after the implementation of the project. (Details are given in Section 5)

11.3 Additionality
This project is not a substitute for grant funding from other public or private sector sources.

11.4 Project readiness and size
The project is prepared and ready to be contracted.

11.5 Sustainability
The FADN project is intended to be sustainable and permanent in compliance with the EU norms and standards and in line with the acquis of the agricultural sector. To ensure the sustainability farmers will be paid from the state budget in order to provide their participation. As being a preparatory project with the pilot implementations in 9 provinces, implementation of complementary projects for full implementation of FADN system is required and the participation of the farmers will be ensured in the same way with the latter project/s.

11.6 Compliance with state aids provisions
Project complies with the state aid provisions

12. Conditionality and sequencing
- Law on Agriculture is adopted by the Parliament in 2005 as the legal framework for FADN is already prepared under this law.
- The protocol for the establishment of Advisory Committee between MARA, SIS and TZOB is signed.
- The Memorandum of Understanding for the establishment of National Advisory Committee between MARA, SIS, TZOB and Agricultural Colleges is signed.
- Framework contract for the preparation of Technical Specifications will be prepared until October 2006 and launched until January 2007 and the technical specifications prepared until May 2007.

ANNEXES TO PROJECT FICHE
1. Logframe in standard format (compulsory)
2. Detailed implementation chart (compulsory for year 1, optional for future years)
3. Contracting and disbursement schedule, by quarter, for full duration of project (including disbursement period) (compulsory for year 1)

5. Reference list of relevant laws and regulations (compulsory)

6. List of equipment to be supplied and justification (compulsory)

7. Executive Summary of the Final report of the FWC “Assessment of five main data providers of the Turkish statistical system
Annex 1- Logical Framework in standard format

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX for Establishment of Pilot Turkish-Farm Accountancy Data Network (FADN)</th>
<th>Contracting period expires December 2007</th>
<th>Disbursement period expires September 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total budget: 1,240,000 EUR</td>
<td>PHARE Contribution: 1,080,000 EUR</td>
</tr>
</tbody>
</table>

Overall Objective

The overall objective of the project is to establish Farm Accountancy Data Network (FADN) at regional and farm level in compliance with the EU requirements in order to provide reliable information on the Turkish agricultural and rural sectors to the EC and Turkish policy makers.

### Objectively Verifiable Indicators
- Transfer of farm accountancy data to EU from 2011
- Aligned legislation adopted and enforced from 2009
- The number of data entered in the database of FADN established in all provinces from 2011

### Sources of Verification
- Commission
- Regular Reports in 2008 onwards
- EUROSTAT
- MARA Documentation
- Official Gazette

Project Purpose

To introduce the FADN system in 9 provinces of Turkey with the implementation of pilot studies and establishment of legal and administrative framework in accordance with the relevant EU legislation at national, regional and farm level.

### Objectively verifiable indicators
- The number of data entered in the database of FADN established in 9 provinces
- The data produced is sent to related EU’s institutions and Turkish policy makers based on their requirements in 2009;
- Systems installed and operational, providing a range of services until 2009.
- Aligned legislation adopted and enforced until 2009

### Sources of Verification
- Monitoring Committee Reports
- Final Project report
- Reports of Advisory Committee
- Documentation of MARA
- Legislative records;
- EU FADN database;
- Turkish FADN Database
- EUROSTAT
- Commission regular reports;
- Turkish Official Gazette.

### Assumptions
- Commitment towards Turkish accession to EU continues
- EU and government resources are available to support the new capacity in the longer-term;
- Implementation of complementary project/s at national level

Results

1. The necessary legislation prepared and the

### Objectively verifiable indicators
- FADN recognized as EU

### Sources of Verification
- Monitoring Committee

### Assumptions
- Commitment towards
1. An administrative body for the implementation of FADN system is established.

2. The infrastructure required for the implementation of FADN is improved (including training of staff on techniques and methodologies for collecting and organizing farm data at central level and introducing FADN to farmers and encouraging them to participate in the network in the pilot provinces to be determined).

3. Turkish FADN system is implemented in nine pilot provinces (which in future will act as Regional Offices) to be selected on the basis of 9 agro-climatic regions of Turkey through the regional agencies established by MARA (See section 4 for the details regarding the agro-climatic regions).

Activities | Means | Costs | Assumptions
--- | --- | --- | ---
Activities will be carried out through equipment supply and twinning. The Twinning counterpart/s will provide the services listed below to obtain the results No. 1, 2 and 3: 1.1. Assistance to the performance of necessary arrangements for the establishment of system: - The counterpart will be supplied with necessary information and complementary knowledge about the nine agro-climatic regions and the provinces within those regions, the farm compatible by the EU in the pilot provinces; - Information about Turkish FADN published in national statistics and EUROSTAT in the 2009; - Effective communication channels in between core team of MARA and relevant EU institutions. Reports - Regular Project reports - Reports of Advisory Committee - Documentation of MARA - Seminar participant lists - Certificates issued to the trained officials; - Training institution reports; - Legislative records; - EU FADN database; - EUROSTAT - Commission regular reports; - Turkish Official Gazette. Turkish accession to EU continues - The Memorandum of Understanding for the establishment of National Advisory Committee between MARA, SIS, TZOB Agricultural Colleges signed. - FADN Advisory Committee (explained in section 4 and 6) - Framework Contract – will be financed from the Project Preparation Facility One Standard Twinning contract (the duration of the contract will be 18 months; with a Resident Twinning 600.000 € - All training arrangements, studies, supplies completed in time and the right levels of quality and quantity, as planned - Timely transfer of the EU funding - Provision in time of the co-funding budget - Trained staff continue to work for MARA - Turkish staff are made available for training
structures of the provinces.

- Preparation of the assessment report including the strategy for the implementation of FADN system in Turkey according to the experience gained in the MSs. With the strategy the 9 pilot provinces in the nine agro-climatic regions will be determined. The 9 provinces in which the system is established will act as Regional Offices in the future. The strategy includes the expansion of FADN network to the rest of the provinces.

- The strategy will also determine the number of farmers which will be included in the pilot implementation of FADN in the selected provinces and the number of farmers to be included in the system for the whole country.

- The strategy will also determine the different means to encourage the farmers to participate to the system voluntarily. The means could be granting of extra direct payment to the farmer from state budget, training, for the farmers participating in the system giving priority when granting the DIS (explained in section 3.1) etc. The implementing arrangements and the amount of payment to be granted should be determined.

- The strategy will also explain how data will be collected, verified, put into the system and processed and how cross checks are made. Also the

| 1.2. Assistance for the preparation of national legislation and assistance for the determination and implementation of other necessary | Advisor (RTA) from the MS and Project Leaders for both MS and CC, in addition to a package of short term missions and specialist training, and there will be a contracting phase of 3 months, where the MS and CC partners jointly define the work schedule. | - Contract signed in time. - National Budget allocated has been approved for 2007/2008 period - Appointment of adequate counterpart staff - Willingness of all stakeholder institutions - Framework contract for the preparation of Technical Specifications will be prepared until October 2006 and launched until January 2007 and the technical specifications prepared until May 2007. |
regulatory requirements in line with EU acquis:

- Determination of job and responsibility description for NGOs and state organizations such as the Union of Farm Chambers (TZOB) and State Institute of Statistics (SIS) are carried out.

- The National Advisory Committee (composed of representatives from various related organizations such as TZOB, SIS and Agricultural Colleges) is established.

- The Regional Committees associated with FADN are prepared and put in work.

- Necessary implementing regulations, by-laws, guides and other regulatory booklets are designed and published as depicted and foreseen in the Law of Agriculture expected to be approved by the Parliament.

1.3. Training of MARA staff allocated for FADN:

- Based on the technical guides written or announced by the EU authorities, training with emphasis on the critical aspects of the program is given to the personnel from MARA and 9 provinces selected as well as those from SIS and TZOB who will take part in the FADN activities.

- Personnel mentioned above are sent to the twinning country (or countries) for local observation and perhaps on-the-job work while FADN implementation is taking place wherever that may be. This short-term study tours may be
carried out in consecutive step-wise approach.
1.4. Initializing the collection of farm statistics from designated farmers who will be chosen in line with the EU standards.

- Assistance to the Framework Contractor responsible for the preparation of the Technical Specifications for the establishment of the database of FADN. The data collected from the farmers will be recorded to the database established within the project. For this purpose a Framework Contractor will prepare the technical specifications for the procurement of software-hardware and IT security for the database to be established. The technical specifications to be prepared should be in line with EU standards and should be prepared on the basis of meeting the requirements of relevant FADN legislation of the EU. For these activities mentioned above Framework Contractor may cooperate with one of the service providers in Turkey. MARA staff will also support the Framework Contractor as regards relevant needs required for the database. The Framework Contractor will be comprised of at least three IT experts responsible for business analysis, system analysis, solution design, high level data modelling, security design and developing technical specifications, one expert responsible for legal alignment, one domain expert and one expert on institutional aspects. The expert input for the Framework Contract is given in Annex 4.

- The population in the selected 9 provinces made
of commercial farms (market oriented entities) are determined based on our National Farm Registration Data Base and are refined to meet the EU requirements by including or excluding farm families that might not be fitting the objectives. For the latter local experts and EU advice in the light of Twinning or TA will be used to facilitate the right selection. The population finalized shall form the target farms from which Farm Accountancy data are to be collected.

In order to familiarize the local administrative heads e.g., village heads (Muhtar) as well as those farmers in the chosen population for FADN informative and educative gatherings and workshops are implemented in order to attract desire and voluntary help for data collection. At the same time additional payments from the state budget will be granted and other means to encourage farmers will be used according to the strategy developed under 1.1. The data collected will be entered to the database established by the Framework Contractor by “FADN Form Processing (FFP) which will be established by MARA with the help of Twinning Counterpart (details are given in section 4).
Supply of equipment to obtain Result No: 2 and 3

Supply of equipment is required for the implementation of FADN system. The 9 selected MARA provincial directorates will be equipped for data entering and training needs. The detailed list of equipment and their justification is given in Annex VI. Procurement of relevant hardware, software and other equipment needed for FADN includes:

- Software on FADN in line with that of the EU requirements and customized to the users is finished and the Beta version is issued.
- Enhancement of the FADN software is carried out in light of any errors or inconveniences encountered during the first implementation period by the supplier.
- Purchasing and furnishing necessary equipment needed by FADN and other related activities is completed and installed.

<table>
<thead>
<tr>
<th>One supply contract</th>
<th>640,000 €</th>
</tr>
</thead>
</table>

Preconditions
- Law on Agriculture is adopted by the Parliament in 2005 as the legal framework for FADN is already prepared under this law.
- The protocol for the establishment of Advisory Committee between MARA, SIS
and TZOB is signed.

ANNEX 2: DETAILED IMPLEMENTATION CHART

<table>
<thead>
<tr>
<th>Component</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilot Implementation Project</td>
<td>P</td>
<td>T T</td>
<td>T T</td>
</tr>
<tr>
<td>Twinning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply equipment (Hardware Software) &amp;</td>
<td></td>
<td>P P</td>
<td>P P</td>
</tr>
<tr>
<td>Preparation</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tendering</td>
<td>T</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracting</td>
<td>C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementation and Payments</td>
<td>I</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Annex 3 – Contracting and Disbursement Schedule (Euro)

Date (at end of each project quarter)

<table>
<thead>
<tr>
<th></th>
<th>30-Jun-07</th>
<th>30-Sep-07</th>
<th>31-Dec-07</th>
<th>31-Mar-08</th>
<th>30-Jun-08</th>
<th>30-Sep-08</th>
<th>31-Dec-08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted</td>
<td>600,000</td>
<td>600,000</td>
<td>1,080,000</td>
<td>1,080,000</td>
<td>1,080,000</td>
<td>1,080,000</td>
<td>1,080,000</td>
</tr>
<tr>
<td>1 Twinning</td>
<td>600,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2. Supply of equipment</td>
<td>0</td>
<td>0</td>
<td>480,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Disbursed</td>
<td>320,000</td>
<td>320,000</td>
<td>520,000</td>
<td>520,000</td>
<td>870,000</td>
<td>1,080,000</td>
<td>1,080,000</td>
</tr>
<tr>
<td>1 Twinning</td>
<td>320,000</td>
<td>0</td>
<td>90,000</td>
<td>0</td>
<td>90,000</td>
<td>100,000</td>
<td>0</td>
</tr>
<tr>
<td>2. Supply of equipment</td>
<td>0</td>
<td>0</td>
<td>110,000</td>
<td>0</td>
<td>260,000</td>
<td>110,000</td>
<td>0</td>
</tr>
</tbody>
</table>
Annex 4- Preparatory Work

1. Preparing technical specifications in line with procurement of EU standards for software-hardware-IT security; Expert Input

Task of the experts:
The Framework Contractor will be responsible for preparation of technical specifications in line with procurement of EU standards for hardware-software- IT security of the Turkish-FADN system for these activities Framework Contractor may cooperate with one of the service providers in Turkey. MARA staff will also support the Framework Contractor so that on-the-job training will be achieved.

Project envisages a Framework Contractor comprised of at least three IT experts responsible for business analysis, system analysis, solution design, high level data modelling, security design, and developing technical specifications, one expert responsible for legal alignment, one domain expert and one expert on institutional aspects.

Technical advice will co-ordinated by the term Framework Contractor experts in close co-ordination with the twinning project TRA and PL.

All experts shall have full computer literacy. All experts must be familiar, in their sectors of competence, with EU legislation together with its implementation.

Key expert 1: IT EXPERT (SYSTEM AND NETWORK)

Qualifications and skills

- International experience
- Citizen of an EU member state or Turkey
- Should spend a total of 90 days in Turkey during the project duration.
- Engineering university graduate/post-graduate- preferably computer, electronics, electrical or industrial engineering
- Experience in system design
- English proficiency is essential.
- Have proven high quality analytical drafting, as well as excellent communication skills.
- Experience in training.

Professional experience

- At least 8 years of professional experience in IT sector.
- Specific experience on the needs assessment of hardware, network and software infrastructure
- Experience in preparation of the technical dossier
- Familiar with the establishment of the systems in particular with agricultural ICT solutions based on EU rules and regulations.
- Previous experience and knowledge of EU Commission’s PRAG Manual of Procedures.
Key expert 2: IT EXPERT (SECURITY)

**Qualifications and skills**
- International experience
- Citizen of Republic of Turkey
- Should spend a total of 40 days in Turkey during the project duration.
- Engineering university graduate/post-graduate- preferably computer, electronics, electrical or industrial engineering
- Experience in system design, security system design, must have CISSP or CISA certificate
- English proficiency is essential.
- Have proven high quality analytical drafting, as well as excellent communication skills.
- Experience in training.

**Professional experience**
- At least 5 years of professional experience in IT sector.
- Specific experience on the needs assessment of security hardware, security network and security software infrastructure, hands on experience in implementation of security systems
- Experience in preparation of the technical dossier
- Familiar with the establishment of the systems in particular with agricultural ICT solutions based on EU rules and regulations.
- Previous experience and knowledge of EU Commission’s PRAG Manual of Procedures.

Key expert 3: IT EXPERT (SOFTWARE)

**Qualifications and skills**
- International experience
- Citizen of an EU member state or citizen of Turkey
- Should spend a total of 90 days in Turkey during the project duration.
- Engineering university graduate/post-graduate- preferably computer, electronics, electrical or industrial engineering
- Experience and business, system and software analysis
- Experience in software system design, database design, n-tier web applications
- Experience in process modelling and design
- English proficiency is essential.
- Have proven high quality analytical drafting, as well as excellent communication skills.
- Experience in training.

**Professional experience**
- At least 8 years of professional experience in IT sector.
- Specific experience on the needs assessment of software and application infrastructure
- Experience on developing the technical dossier
- Familiar with the establishment of the systems in particular with agricultural ICT solutions based on EU rules and regulations.
- Previous experience and knowledge of EU Commission’s PRAG Manual of Procedures.
Annex 4 (continued): 2. Organizational Chart of MARA
ANNEX 5: REFERENCE LIST OF RELEVANT LAWS AND REGULATIONS

- Regulation No 79/65/EEC (the basic regulation) of the Council of 15 June 1965 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Economic Community. Ref: OJ 109 23.06.65 p.1859.


- Commission Decision 90/36/EEC of 16 January 1990 fixing the “agro-economic trend coefficient” to be used for defining the European Size Unit in connection with the Community typology for agricultural holdings.


- Commission Decision EEC/85/377 in 1985 the method for classifying agricultural holdings which was common to all the countries of the Union

- COMMUNITY COMMITTEE FOR THE FARM ACCOUNTANCY DATA NETWORK RI/CC1256rev3 Farm Return Data Definitions Accounting year 1999

- The FADN database provided an essential contribution to the analyses and simulations carried out during the preparation of 1992 CAP-reform and Agenda 2000.
## ANNEX VI: List of Equipment to be supplied and justification

### Implementation and Deployment at MARA CC Centre, 9 Provinces

<table>
<thead>
<tr>
<th>Form Reading and Processing</th>
<th>Item</th>
<th>Task</th>
<th>Properties</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>A3 Scanner</td>
<td></td>
<td>Task</td>
<td>25,000 page per month, no page skipping</td>
<td>1</td>
<td>10,000,00 €</td>
<td>10,000,00 €</td>
</tr>
<tr>
<td>A4 Scanner</td>
<td></td>
<td>Task</td>
<td>15,000 page per month, no page skipping</td>
<td>1</td>
<td>5,000,00 €</td>
<td>5,000,00 €</td>
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<tr>
<td>Workstation</td>
<td>Corrections</td>
<td>Task</td>
<td>4</td>
<td></td>
<td>1,000,00 €</td>
<td>4,000,00 €</td>
</tr>
<tr>
<td>Workstation</td>
<td>Image Processing and ICR</td>
<td>Task</td>
<td>High Profile PC or Low Profile Server</td>
<td>5</td>
<td>2,000,00 €</td>
<td>10,000,00 €</td>
</tr>
<tr>
<td>ICR Software</td>
<td>Intelligent Character Recognition</td>
<td>Task</td>
<td>Learning capability and handwriting recognition</td>
<td>5</td>
<td>1,000,00 €</td>
<td>5,000,00 €</td>
</tr>
<tr>
<td>Form Reading Software for Clients</td>
<td>Task</td>
<td>50,000 form x 6 page per year</td>
<td>6</td>
<td>5,000,00 €</td>
<td>30,000,00 €</td>
<td></td>
</tr>
<tr>
<td>Form Reading Software for Server</td>
<td>Task</td>
<td>50,000 form x 6 page per year</td>
<td>1</td>
<td>14,000,00 €</td>
<td>14,000,00 €</td>
<td></td>
</tr>
<tr>
<td>Training and Implementation Service</td>
<td>Task</td>
<td>Services for training and implementation</td>
<td>1</td>
<td>50,000,00 €</td>
<td>20,000,00 €</td>
<td></td>
</tr>
</tbody>
</table>
Document Management Solution | Collaboration and document sharing on national level | 9 Provinces, MARA Centre and CC department users (licensed per user) and ToT basis on-the-job training | 100 | 750,00 € | 75,000,00 € |

**Sub Total** | **173,000,00 €**

<table>
<thead>
<tr>
<th><strong>Database and Data Mining</strong></th>
<th><strong>Item</strong></th>
<th><strong>Task</strong></th>
<th><strong>Properties</strong></th>
<th><strong>Quantity</strong></th>
<th><strong>Unit Price</strong></th>
<th><strong>Price</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Server</td>
<td>Database</td>
<td>2 CPU, 4GB Ram, 200 GB disk with Raid1, U320 and backup</td>
<td>1</td>
<td>18,000,00 €</td>
<td>18,000,00 €</td>
<td></td>
</tr>
<tr>
<td>FADN customized software application</td>
<td>FADN's data processing</td>
<td>web-based multi layered</td>
<td></td>
<td></td>
<td>335,000,00 €</td>
<td></td>
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<tr>
<td>Database Management Software</td>
<td>DBMS</td>
<td>MS SQL Server or equivalent, cpu based</td>
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<td>5,000,00 €</td>
<td>10,000,00 €</td>
<td></td>
</tr>
<tr>
<td>Statistics and data mining software</td>
<td>Processing of collected data</td>
<td>Statistical or equivalent</td>
<td>1</td>
<td>20,000,00 €</td>
<td>20,000,00 €</td>
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</table>

**Sub Total** | **383,000,00 €**

<table>
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<tr>
<th><strong>CC Requirements</strong></th>
<th><strong>Item</strong></th>
<th><strong>Task</strong></th>
<th><strong>Properties</strong></th>
<th><strong>Quantity</strong></th>
<th><strong>Unit Price</strong></th>
<th><strong>Price</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Computer</td>
<td>CC Department People</td>
<td>Office Productivity Suite, Standard PC</td>
<td>10</td>
<td>1,390,00 €</td>
<td>13,900,00 €</td>
<td></td>
</tr>
<tr>
<td>Notebook</td>
<td>CC Department People</td>
<td>Office Productivity Suite</td>
<td>10</td>
<td>2,500,00 €</td>
<td>25,000,00 €</td>
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</tr>
<tr>
<td>Multifunction Copier/printer/scanner</td>
<td>A3, Monochrome, Digital, Network Copier, Printer, Scanner with 50 ppm A4 laser speed</td>
<td>1</td>
<td>15,000,00 €</td>
<td>14,900,00 €</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Province Offices Implementation</td>
<td>Item</td>
<td>Task</td>
<td>Properties</td>
<td>Quantity</td>
<td>Unit Price</td>
<td>Price</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>------</td>
<td>------</td>
<td>------------</td>
<td>----------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td></td>
<td>PC</td>
<td>1 one each Province office</td>
<td>Standard PC with Office Productivity Suite</td>
<td>9</td>
<td>1.300,00 €</td>
<td>11.700 €</td>
</tr>
<tr>
<td></td>
<td>Printer</td>
<td>1 one each Province office</td>
<td>20 ppm monochrome a4 with network</td>
<td>9</td>
<td>600,00 €</td>
<td>5.400 €</td>
</tr>
<tr>
<td></td>
<td>Training Facility</td>
<td>ToT to MARA Province and District Personnel in MARA CC Department</td>
<td>8 PC, projector, switch and cabling</td>
<td>1</td>
<td>10.000,00 €</td>
<td>10.000 €</td>
</tr>
</tbody>
</table>

Sub Total 27.100,00 €

Sub Total 56.900,00 €

Grand Total 640.000 €
Annex- 7
Executive Summary of the Final report of the FWC “Assessment of five main data providers of the Turkish statistical system

Project: “Assessment of five main data providers of the Turkish Statistical System”
Place: Ankara / Turkey
Beneficiary: State Institute of Statistics and Ministry of Agriculture and Rural Affairs.
Expert: Paolo Galliadi – Assessment of the Ministry of Agriculture and Rural Affairs

FINAL REPORT
Date: 24 November 2005

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Annexes
Annex 1 – Data Source Forms
Annex 2 – Translated documents
Annex 3 – Round Table documents
Agenda.
List if participants.
Power Point presentations
List of abbreviations

APKK Research Planning and Coordination Council (MARA)
ARIP Agricultural Reform Implementation Project (WB)
CPA Classification of Products by Activity (EU)
DIS Direct Income Support (MARA)
EAA Economic Accounts of Agriculture (EU)
EAF Economic Accounts of Forestry (EU)
GD General Directorate
IACS Integrated Administrative and Control System (EU)
I&R Identification and Registration (of animals) (EU)
KKGM GD of Protection and Control (MARA)
LPIS Land Parcel Identification System
MARA Ministry of Agriculture and Rural Affairs
NACE Classification (Nomenclature) of Economic Activities in the European Community
NFRS National Farm Registry System
NIC Soil and Water Resources National information Centre
SFR Statistical Farm Register
SIS State Institute of Statistics
STATIP “Determination and improvement of problem agricultural areas” Project (MARA)
TA Technical Assistance
TAGEM GD of Agricultural Research (MARA)
TMO Turkish Grain Board (MARA)
TUGEM GD of Agricultural Production and Development (MARA)
VIS Veterinary Information System
WB World Bank
1. Executive Summary

a) The assignment was carried out through four missions in Ankara from end of May to end of October 2005, with the proper support from the Turkish officers responsible for contact and coordination and in strict contact with the beneficiary institutions. In particular, most of the information needed for achieving the action’s specific objectives was gathered through meetings with MARA officials in the main General Directorates/Departments involved in data collection/management.

b) The scope of the investigation was not limited to MARA activities specifically intended to producing current “official statistics”, but covered the whole set of collection schemes implemented by the Ministry (for administrative purposes and/or sector policy making). This has allowed obtaining a complete picture of the data and related methodologies as existing at present. The information concerning each specific dataset/database is presented in a standardised format in the collection of Data Source Forms in Annex 1 to this report. These forms are intended to increase the level of transparency of the information available within MARA for internal and external users as well.

c) SIS and MARA have a long tradition of cooperation in the domain of reference, and the Ministry covers the main role in the collection/compilation of data that SIS uses for producing agricultural official statistics. The conditions seem in place for this partnership to be confirmed in view of the aim of implementing the process of restructuring the system in compliance with EU requirements.

d) The priorities to be addressed in order to improve the capacity of the Ministry to contribute to the production of EU compliant agricultural statistics are identified as follows:
   1. Increasing the knowledge of the EU agricultural statistics system at all MARA levels.
   2. Adoption and use of common classification schemes in line with EU relevant standard.
   3. Enlarging the scope of the ongoing cooperation in the area of registers and, in general, of administrative sources.
   4. Starting the inter-agency dialogue aimed to examine the prospect of and the conditions for the phasing out of the scheme of experts’ estimation/reporting utilised at present for the compilation of current statistics and its substitution with selective surveys based on interviews at farm level.
   5. Improvement of the efficiency of the present process for the compilation of current statistics through the digitalisation of the system for data entry, processing and storage.
   6. Strengthening the systems of controls on the economic realities underlying administrative sources used for the compilation of statistics.
   7. Development of a formalised “corporate” IT policy, for counteracting the risk of a “chaotic” growth of MARA IT system and as a mean for providing better support also to the statistical production process.

e) On the basis of these priorities, a strategy to be implemented in partnership by the involved Turkish authorities for achieving the foundation of an EU compliant agricultural statistics
system is outlined in this report. An Inter-agency Committee entrusted with managerial responsibility is proposed as the key organisational instrument for addressing, coordinating and monitoring the implementation of the harmonisation process through inter-agency Technical Working Groups on specific statistical matters.

f) Within MARA, APKK (Research Planning and Coordination Council) is identified as the key unit for bringing forward the harmonisation process in cooperation with SIS, as the centre of interaction between the institution responsible for policy making (MARA itself) and the one responsible for statistics (SIS). As such, APKK is proposed as the first level of a training policy to be extended to other relevant staff at central and local level, via training multiplication schemes.

g) In order to strengthening MARA capability as statistical data provider on the basis of EU requirements and contributing to overcome current deficiencies of Turkish agricultural statistics, the following areas are proposed for the provision of institutional and technical support:
   - Institutional framework of agricultural statistics.
   - Information and communication structures for sector management in accordance with EU requirements.
   - Market information system
   - Farm Accounts Data Network.
   - Institutional capacity for the Animal Production Sector
   - Vineyards and Wine Registers.

The proposed action, aimed to contribute to the development of the institutional capacity needed to manage the agricultural sector in Turkey as a perspective Member State, is deemed consistent with the strength and absorption capacity of MARA, taking also in account the EU funded projects at present underway or foreseen within the Ministry.

5.2.6.3 Institutional and technical assistance

The following areas are outlined for consideration for the future implementation of institutional strengthening and technical support to MARA. All the proposed projects, while contributing to the development of the institutional capacity needed to manage the agricultural sector in Turkey as a perspective Member State, would strengthen MARA capability as statistical data provider on the basis of EU requirements and contribute to overcome current deficiencies of Turkish agricultural statistics. All projects should include the provision of training and, when relevant and not already available within the Institution, of EU compliant equipment and software.

a) Institutional framework of agricultural statistics: this project, having both MARA and SIS as beneficiaries, should aim at supporting Turkish authorities in creating the basis for a sustainable agricultural statistics system in compliance with the EU acquis through the organisation of the structures of agriculture statistics in the frame of a co-ordinated and coherent institutional framework. The main results should include: (i) the definition of institutional roles and responsibilities for establishing and managing an EU compliant agricultural statistics system; (ii) the elaboration of an agreed action plan with specifications of timelines for key targets in terms of output; (iii) the building of statistical and analytical capacity within MARA on the basis of the priorities outlined in the Interim report (19 August 2005). With specific reference to priority 1 (transfer of knowledge), the assistance should cover the design and implementation of a training policy tailored to MARA needs, including the areas of training indicated in the previous section (eventually with the exception of
training in database management, which may be delivered under the technical assistance proposed in the next point b).

b) Information and communication structures for sector management in accordance with EU requirements: in order to progressively comply with the agricultural acquis, under the coordination of MARA and with the participation of relevant national institutions, Turkey will have to implement a complex set of information systems, either to be established ex novo or to be developed in line with EU requirements on the basis of already operating systems\(^1\). The proposed assistance should support MARA in designing and setting up an comprehensive organisational and technical framework for the establishment and management of the various components of the whole information system. In particular, it should aim to ensure coordination of all the (sub) systems in a coherent and integrated framework, through the elaboration of a system master plan, the specification of mature technical requirements for technological infrastructures including data sharing, the specification of routine procedures for the transmission of relevant data to users at national and international level as, respectively, the SIS and the EU Commission services. The assistance should include training in IT system development, database management and submission of data according to DG Agriculture and EUROSTAT rules.

The remaining proposed areas of TA are intended to establishing the basis and building institutional capacity for the implementation in Turkey of components of an EU compliant sector information system other than those already included in ongoing or planned projects.

c) Market information system (prices, balance sheets, intervention stocks, trade) required to conduct market management as part of the Common Market Organisations (CMO) of the Common Agricultural Policy, as required by the General EU Directorate for Agriculture (DG Agri).

d) FADN: establishment of adequate administrative and legal structure for the implementation of a Farm Accounts Data Network (FADN) in compliance with EU requirements. FADN would provide information on the income generated by agricultural activity and the microeconomic data necessary to complement the aggregate results of the Economic Accounts for Agriculture (EAA).

e) Institutional capacity for the Animal Production Sector: this project should aim to build up and establish the central and local capacities to collect, control, analyze, and exchange reliable information regarding animal slaughtering and animal production (meat, milk, eggs) on the basis of EU requirements in this area. As a component of the project, technical assistance may be provided for the adoption of the S-EUROP classification categories for slaughtered bovine, pig and sheep carcasses and implementation of these scales in accordance with the EU classification and price reporting requirements. Further to strengthen the basis for sector

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\(^1\) The mentioned set of information systems includes:

(i) the Integrated Administration and Control System (IACS), and the related key (land, animals, farms) and support (vineyards, olive trees, orchards, organic farming…) registers/identification systems;
(ii) the information system of the agricultural paying agency;
(iii) the agricultural market information system (prices, balance sheets, intervention stocks, trade) for the management of Common Market Organisations of the CAP;
(iv) the Farm Accounting Data Network (FADN);
(v) the veterinary information system;
(vi) the phyto-sanitary information system;
(vii) the food security information system;
(viii) etc…
policy making (slaughterhouses, dairies), the project would contribute to overcome the present weaknesses in this area of official statistics.

f) Vineyards and Wine Registers: design and methodological development of the Vineyards Register, linked to the IACS system, and of the Wine Register and associated information system.