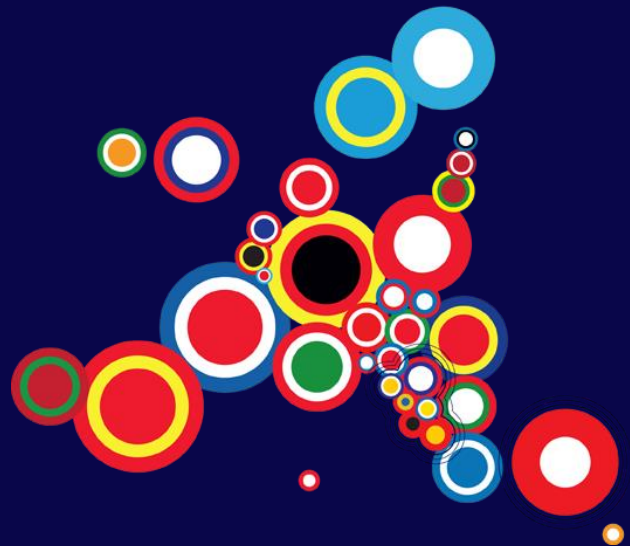




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

KOSOVO* EU for Food Safety in Kosovo



Action summary

The aim of the Action is to support the Kosovo Food and Veterinary Agency in aligning and implementing EU legislation and best practices in the area of food safety and animal disease control eradication.

This will be achieved through the improvement of physical infrastructure (laboratory and regional offices) and further strengthening of administrative capacities in the sector.

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Action Identification	
Action Programme Title	Action Programme for Kosovo for the Year 2017 – Part I
Action Title	EU for Food Safety in Kosovo
Action ID	IPA 2017/040506./09/Kosovo/Food Safety
Sector Information	
IPA II Sector	Agriculture and Rural Development
DAC Sector	31120
Budget	
Total cost	EUR 5.2 million
EU contribution	EUR 5.2 million
Budget line(s)	22.020102
Management and Implementation	
Management mode	Direct Management
<i>Direct management:</i> EU Delegation	European Union Office in Kosovo
<i>Indirect management:</i> National authority or other entrusted entity	
Implementation responsibilities	European Union Office in Kosovo
Location	
Zone benefiting from the action	Kosovo
Specific implementation area(s)	Kosovo
Timeline	
Final date for concluding Financing Agreement(s) with IPA II beneficiary	At the latest by 31 December 2018
Final date for concluding delegation agreements under indirect management	At the latest by 31 December 2018
Final date for concluding procurement and grant contracts	3 years following the date of conclusion of Financing Agreement with the exception of cases listed under Article 189(2) of the Financial Regulation
Final date for operational implementation	6 years following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

(date by which this programme should be de-committed and closed)			
Policy objectives / Markers (DAC form)			
General policy objective	Not targeted	Significant objective	Main objective
Participation development/good governance	<input type="checkbox"/>	√	<input type="checkbox"/>
Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	<input type="checkbox"/>	√	<input type="checkbox"/>
Trade Development	<input type="checkbox"/>	√	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RIO Convention markers	Not targeted	Significant objective	Main objective
Biological diversity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

Kosovo signed a Stabilization and Association Agreement (SAA) on 27 October 2015 which came into force on 1 April 2016. The SAA envisages progressive reduction of customs duties on imports of agricultural and food products originating from EU member states with the view to completely abolish customs duties or other taxes having an equivalent effect within 5 years from the date when the SAA agreement entered into force. Such a reduction of customs duties defined in the SAA and regional Free Trade Agreements will lead to further increases in imports of agricultural and food products (imports that already account for more than 70% of the food market). At the same time, the SAA agreement provides a massive opportunity for export of agricultural products from Kosovo to the EU market without any quantitative restrictions, custom duties or other measures having an equivalent effect.

However, European Union is known to have the highest safety and quality requirements and standards in production and processing of agri-food products; EU expects therefore that beneficiaries that will be granted access to its common market develop and apply safety and quality measures similar or equivalent to those of the EU.

Development and implementation of quality and safety measures in the area of food safety and animal health requires alignment of Kosovo policy and legislation to the requirements of the EU *acquis* and a high level of competence of the administration in charge for implementation of the legislation covering the above areas. More specifically it requires:

- Integrated and reliable control bodies capable of providing assurance to the consumers and the member states' authorities that food products placed on the domestic market, or certified for export to EU, meet quality and safety standards as per the *acquis*;
- A technically and scientifically prepared animal health service, capable of monitoring the animal health situation in Kosovo and able to detect animal diseases, particularly transboundary animal diseases, capable of rapid spread in the region and wider in Europe; a service fully prepared to implement control and eradication measures for such diseases;
- Infrastructure for the administration at central and regional levels, including necessary laboratory infrastructure, to detect and confirm disease outbreaks, equipment to perform checks and controls and tools for registration and reporting findings and follow up measures undertaken.

Considering all of the above, both the Instrument for Pre-accession Assistance (IPA) and the Stabilisation and Association Agreement envisage strong cooperation and support between the EU and Kosovo in all priority areas related to the EU *acquis* in the field of agriculture, as well as with regard to quality and safety schemes for agricultural products and foodstuffs, food safety, veterinary and phytosanitary domains.

As the situation currently exists, Kosovo is not allowed to export live animals and food of animal origin to the EU and export of other agricultural products is subject to safety and quality requirements as described above. This prevents Kosovo from fully benefiting from the opportunity to export to the EU and countries in the region which are aligning their national policy to the requirements of the EU *acquis* under Chapter 12 Food safety, phytosanitary and veterinary policy.

Increased imports and lack of export possibilities will place additional pressure on the competitiveness of the food sector in Kosovo, which is currently quite low.

Furthermore, delayed integration of food control bodies continues to affect confidence of the Kosovo consumers in the quality and safety of domestic products.

For the food safety sector, Kosovo Food and Veterinary Agency (KFVA) is an executive agency under the Prime Ministers office responsible for implementation of integrated Food Control system better known in the EU as "farm to fork". The main objective of the Agency is to ensure that food produced or imported in Kosovo is safe for consumption and of the appropriate quality. As stated in the Food Law, KFVA is

responsible to perform checks and controls of food/feed, animal health and plant health at all stages of production, import-export, processing, transport, storage and retail.

With the establishment of the KFVA, a fundamental change in the food control system has already occurred. However, major needs for investment, both in infrastructure and in building the capacities of staff at headquarters and regional offices to implement the integrated and risk-based system in the area of food safety and quality, is evident. The main direct beneficiary of this action document is KFVA, other stakeholder that will be involved are: Ministry of Health (MoH), Ministry of Agriculture, Forestry and Rural Development (MAFRD) and Ministry of European Integration (MEI).

a. Infrastructure of the KFVA - laboratory and regional offices upgraded

With support of the EU, a major reorganisation of the institutional structure in this sector had already been established in year 2009. Institutional set up and accompanying legislation was facilitated by the twinning project on food safety implemented by the German/Lithuanian consortium.

Based on the Kosovo circumstances and in line with EU best practices and policies, an integrated system of food control was proposed and subsequently adopted by the government. Currently, the food safety control system is divided between three institutions:

MAFRD and MoH who are responsible for drafting legislation and policies related to food safety, animal health, plant health and veterinary public health and;

Kosovo Food and Veterinary Agency, as an executive agency responsible for implementation of legislation covering the entire food chain from farm to fork, including import/export and transit of food of animal and plant origin as well as live animals and plants (including animal health, animal welfare, identification and registration and animal by-products).

From the infrastructural point of view, it is envisaged that KFVA should perform its tasks and duties from a Central office and 6 KFVA regional offices. However, regional offices do not have adequate space and equipment to perform duties as required in the legislation. Therefore, further support is needed to establish and equip regional offices.

KFVA also operates the Food and Veterinary Laboratory. Currently, KFVA has a well-built Animal Health (Level 1 and 2) Laboratory and Food Safety Laboratory. However, biosafety level 3 (BSL 3) for the Animal Health Laboratory does not exist. A BSL 3 laboratory is necessary in order to be able to work with animals infected with exotic and zoonotic agents with a high potential to cause lethal disease. A Pathology Section also does not exist. This section is necessary in order to diagnose the nature, cause, effect and control of diseases in both individual animals and in animal populations.

The building and equipping of a BSL3 laboratory and pathology section will complete the entire laboratory infrastructure needed for execution of the tasks under the remit of the KFVA.

b. Animal Health situation in Kosovo

In 2016 Kosovo had several disease outbreaks and endemic disease problems are evident. This situation is causing: public health problems when dealing with zoonotic diseases; economic losses at farm level and costs for disease control and eradication; trade and movement restrictions for live animals and food of animal origin, etc.

Therefore, support is needed for the KFVA with regard to designing and implementing a comprehensive disease monitoring and control system, in line with EU legislation and animal health requirements established by The World Organisation for Animal Health (OIE). Furthermore, support is needed to implement disease control/eradication plans for those diseases prioritized by the KFVA. A strong initiative is needed in order to improve the long term planning and implementation of eradication programmes for diseases which are endemic in Kosovo. Further improvements are necessary with regard to animal health controls starting at the farm level, transport of animals and in livestock markets. The quality of the

implementation of programmes in these areas is not satisfactory and is mostly related to the lack of continuous training and education programmes for field veterinarians.

c. Alignment with the EU *acquis* in Chapter 12

The EU *acquis* in Chapter 12 consists of a very large number of Regulations, Directives and Decisions. Apart from transposition, candidate countries and potential candidates are expected to properly implement and enforce rules envisaged by Chapter 12. For implementation of legislation in this area, Kosovo should have appropriate administrative structures to be able to carry out inspection and control of food, including an appropriate laboratory capacity.

Kosovo continuously works on upgrading its legislation to meet EU *acquis* requirements.

A comprehensive Action Plan covering all aspects of food safety, veterinary and phytosanitary legislation could serve as a basis for achieving a full alignment with the EU *acquis* in this sector. Specific attention will be required with regard to closing the gaps in the areas which are not yet harmonised.

While the KFVA have leading role from a technical point of view, MAFRD and MoH are responsible for designing policies and legislation. MEI especially the Department of EU Law on the other side oversees the harmonisation effort. the Office of Prime-minister (OPM) Legal Department have a role and also the authority to issue legal opinions, check the quality of legislative proposals and provide guidance over the EU *acquis* alignment. Capacities related to these functions are pretty weak and the action should also provide them assistance.

In addition, the preparation of the Action Plan for the EU *acquis* alignment in relation to food safety, veterinary and phyto-sanitary shall involve other central institutions, such as: the OPM to make sure that the Action Plan is consistent with Kosovo work programme , the Ministry of Finance to make sure that costs for implementation are estimated and that sufficient resources are allocated in the budget. Coordination with the Ministry of Public Administration should also be ensured as it is coordinating reforms of the policy/legislative-development and coordination system.

Finally, monitoring of the implementation of transposition is still being weak and should be strengthened. This Action should contribute to the improvement of overall coordination and strengthening of administrative capacities of involved institutions. The Action Plan should be a proper tool for all involved stakeholders in the monitoring of the progress in Chapter 12, annual updates of NPAA and planning of the donor's aid.

OUTLINE OF IPA II ASSISTANCE

IPA II assistance builds on the results achieved under IPA I whilst taking into consideration institutional and policy developments that happened in the meantime. With IPA I funds, EU managed to establish foundations of the Institutions and provide a legal and regulatory framework for their functioning. Intensive capacity building programs were designed and implemented in order to enable KFVA to implement legislation in place.

One of the main policy developments described above is signing of the SAA agreement between Kosovo and EU. This agreement opened a new chapter in terms of trade with food and agriculture products from and to the EU market whereby Kosovo is given access to a market of 300 million people. This is a massive opportunity and, therefore, a main focus of IPA II assistance will be in provision of tools and infrastructure for Kosovo to implement EU compliant measures and policies with regard to food safety, food quality, animal health and plant health.

The process of approval of Kosovo for export to the EU market has not yet started. In order to be properly prepared, Kosovo needs to continue with a number of activities in different areas of Chapter 12. At the end of what will be a demanding and complex process, Kosovo should be able to provide sufficient assurance of food safety for food of animal origin intended for domestic consumption or export.

In order to achieve this goal, this Document recognises two types of actions. The first targets improvement of the physical infrastructure of the KFVA, while the second action aims to strengthen administrative capacities of the KFVA. Both actions should result in the improved technical capacity of the KFVA.

Whilst the main beneficiary is the KFVA, the improved level of compliance with EU regulations and standards should provide additional markets and export opportunities for producers.

RELEVANCE TO THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

The proposed action document is in line with the Enlargement Strategy which calls for improved trade and progress in alignment to the EU veterinary standards.

The Indicative Strategy Paper for Kosovo (2014-2020) recognises Agriculture and Rural Development as a priority sector. It is also noted that the sector has potential for growth and exports.

One of the objectives of IPA II assistance is to support Kosovo to increase the capacity of food business operators to meet EU food safety standards and their competitiveness.

As concluded in the Indicative Strategy Paper (ISP), the IPA II assistance will be used to raise food safety standards of local products. ISP underlines that there are major needs for investment, both in infrastructure and in building the capacities of staff at headquarters and regional offices to implement the integrated and risk-based system in the area of food safety and quality. IPA II should also support Kosovo's institutions in developing comprehensive sector strategies. However, the assistance requested for the veterinary subsectors shall not be only focused on developing strategies and action plans but also on the implementation of key documents.

The assessment criteria and main areas of intervention, among others, are: an operational animal health and welfare control system, including disease reporting and implementation of control and eradication measures; annual and multi annual health programmes which are shared with EU and OIE; disease outbreaks and control measures taken and reported locally and internationally.

The Action document addresses the main recommendations of the EC 2016 Report, in particular:

- Kosovo lacks minimum standards and cross-compliance measures in the areas of food safety, animal health and welfare;
- the capacity to deal with communicable animal diseases remains weak;
- annual and multiannual control plans are not prepared and implemented.

One of the main objectives of the Agriculture and Rural Development Programme is to “support farmers in the selected sectors, aiming to align with the rules, standards, policies and practices of the EU”. This IPA II Action is design to support meeting the goals of the Agriculture and Rural Development Programme and IPA II objectives by focusing on food safety and veterinary standards.

The proposed Action document is building on the previous EU assistance. The proposed action is based on EU policies as regards transposition, implementation and enforcement of the EU *acquis*, and supporting the Kosovo to its European path. The assistance envisaged under the current action document is closely linked with the planned and ongoing EU funded projects. The proposed infrastructure project will enable municipal inspectors to be properly accommodated and equipped in order to perform EU compliant checks and audits and provide reports as per EU requirements. A tailor made training programme for Inspectors is being prepared by an ongoing Food Safety Project which is also assisting in registration and categorization of establishments according to EU checklists.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

EU has continuously supported the Agriculture Sector since 1999. KFVA is the Institution that benefited most, being transformed over 10 years from a very small Veterinary Service office with few people to an executive agency responsible for control of the entire food chain or from farm to fork.

With IPA I assistance, KFVA has managed to prepare and align its relevant legislation with the *acquis*, establish necessary organizational structures required to perform duties and tasks required by the legislation, established an animal identification and registration system in all the municipalities (other than 4 municipalities located north of Iber River), equipped and functionalized an animal health laboratory, increased capacities of the food and veterinary administration in general and enhanced diagnostic capacities of the Food and Veterinary Laboratory.

It has become increasingly evident that whereas EU assistance can contribute to building capacities in one particular sector, it does not always contribute to overall PAR. In fact, the past EU assistance has sometimes contributed to creation of sectorial isolated 'islands of excellence', which are rarely sustainable in the overall administrative environment. This has notably been criticised by the Court of Auditors (e.g. draft Meta Audit on IPA I assistance).

In addition, a general lesson learned is that despite substantial technical assistance provided for EU *acquis* alignment, the beneficiaries continue to suffer from poor implementation and enforcement record of laws and policies. This is to a large extent due to the fact that support (including by the Commission services) focuses on technical alignment (content) but does not pay sufficient attention to the poor quality of the law- making processes, which largely define whether new laws can be enforced. The common problems are weak or non-existing (regulatory/fiscal) impact assessments of proposed laws and policies, poor inter-ministerial coordination and external (public) stakeholder consultations as well as lack of estimation of costs of implementation and allocation of the necessary resources. Therefore, development of new legislation/ amendments shall be carried out respecting all procedures, especially those related to (fiscal/ regulatory) impact assessments, public consultations, inter-ministerial coordination, and fast-track adoption procedures should be avoided unless there are true emergencies.

Kosovo has developed a comprehensive public administration reform agenda¹ and is currently implementing it. Therefore the action will take the horizontal public administration reform efforts into consideration and will coordinate with the relevant Centre of Government institutions (Office of the Prime Minister, Ministry of European Integration, Ministry of Public Administration and ministry of Finance).

Key lessons learned during the previous assistance are that, first and foremost, the beneficiary institutions should have all their structures and infrastructure in place in order to have maximum benefit from the

¹ Strategy on Modernisation of Public Administration 2015-2020; Better Regulation Strategy 2017-2021; Strategy for Improving Policy Planning and Coordination in Kosovo 2017-2021

assistance projects. So far, a delay in transfer of Municipal Inspectors to the KFVA has lessened the impact of the implementation of previous assistance projects in terms of delivery of trainings and use of knowledge available in the central administration. This issue is currently addressed by an EU funded project "Support in the development and implementation of Food Safety and Sanitary and Phytosanitary Controls in Kosovo". The Project team is assessing qualification and training of each of the municipal inspectors and, based on its finding, a tailor made training programme will be designed and implemented during the next 24 months.

Timing of the current assistance has been planned to coincide with building of the regional offices whereby, upon completion of training, municipal inspectors will be transferred from local government buildings to regional offices equipped with the technology and equipment to implement the most up to date system of food safety and quality control.

Furthermore, a previous EU funded project in the area of animal health identified a need for further support in order to strengthen the ability of Kosovo to safeguard animal and public health from emerging exotic disease, not only for people in Kosovo , but also for people in in the region and wider spread.

Previous experience has shown that budgetary planning and budget availability is also crucial to enable the appropriate conditions for implementation of an action. For the laboratory and animal health sections of KFVA, it is necessary that a budget is available for maintenance of the equipment, procurement of the reagents and other consumables and for conducting tests and allocation of budget for proficiency testing.

A list of mitigation measures undertaken to minimize the risk of not having these preconditions in place is included under the heading of **Risks**.

A contract for the maintenance of equipment and provision of calibration services should also be in place before the commencement of the action. For the infrastructure projects, it is of the outmost importance to have the necessary permits and approvals in place e.g. location and required permissions prior to launching of works tender dossiers.

The list of the previous IPA projects is attached in Annex I.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
To provide a safe food to the consumers, to improve trade and to achieve a progress in the alignment to the EU standards in the food safety, veterinary and phytosanitary field	Progress made towards meeting the criteria for the export to the EU market	Kosovo Reports government's reports KFVA reports FVO reports	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
<ol style="list-style-type: none"> 1. To improve and upgrade the laboratory and regional offices infrastructure. 2. To improve the planning and implementation of surveillance and control systems for animal health control in Kosovo towards the EU standards. 3. To make a clear plan of the alignment and further strengthen of administrative capacities in the Chapter 12 – Food Safety, Veterinary and Phytosanitary Policy. 	reduced incidence of animal diseases; number of Chapter 12 policy measures aligned with the EU <i>acquis</i> ; Number of establishments subject to EU compliant food safety checks and controls	KVFA -annual animal health report Kosovo Reports government's reports Official Gazette EC- Food and Veterinary Office assessment and verification reports	On-going commitment of decision makers Timely and efficient implementation of activities
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>Result 1: Infrastructure of laboratory and regional offices upgraded.</p> <p>Result 2: Establish and implement a transparent system for disease surveillance and control programs.</p> <p>Result 3: Preparation of a comprehensive document for the transposition and implementation of the EU <i>acquis</i> in chapter 12 – Food Safety, Veterinary and Phytosanitary Policy.</p>	<p>Result 1: Number of laboratories of Level 3 constructed and equipped Air flow and climate control system in the Veterinary and Food Safety Laboratory is working properly Waste management system for safe and effective handling of hazardous waste Number of regional food and veterinary offices constructed/refurbished</p> <p>Result 2: System of disease control established Number of eradication campaigns conducted Number of staff specialised in veterinary epidemiology Number of staff trained in the management of diseases Number of awareness campaigns implemented</p> <p>Result 3: A plan for transposition, implementation and enforcement of 450 pieces of legislation in chapter 12 drafted and approved</p>	Kosovo Reports government's reports Internal KFVA reports OIE Reports (World Organization for Animal Health)	Ownership or long term lease agreement is in place Transfer of inspectors from municipalities to KFVA Sufficient budget is allocated to KFVA in order to maintain the infrastructure and implement disease control and eradication measures.

DESCRIPTION OF ACTIVITIES

This Action will be the continuation of the strengthening of the KFVA capacities after the finalisation of previous IPA projects.

Activity 1: "Infrastructure of laboratory and regional offices upgraded."

The expected results of the first Action should result in the construction/renovation of facilities in six regional food and veterinary offices. This includes works to renovate or construct new facilities; purchase of necessary office furniture and storage facilities for samples and other biological materials (such as equipment for sample collection, on the spot testing, packaging etc.); procurement of vehicles with integrated cooling chambers etc. At the end of the project, the regional offices should be fully equipped and fully functional.

The Action shall also provide assistance for the construction and equipping of a Level 3 laboratory with a necropsy section, redesigning and installation of the air flow and climate control system in the Veterinary and Food Safety Laboratory as well as building and installation of a waste management system for safe and effective handling of hazardous wastes.

Activity 2: "Establish and implement a transparent system for disease surveillance and control programs."

IPA II assistance will mostly be used to support the implementation of plans detailed in key documents in the Veterinary sub-sector. Within previous IPA projects a number of recommendations in the animal health sub-sector were already developed. This Action shall provide support in strengthening of the mechanisms for implementation of disease control and eradication measures and policies developed within the framework of the previous project. Among others, the proposed action shall:

- contribute to the establishment of a sound and scientifically based system of policy making process at KFVA for surveillance and control of livestock diseases;
- provide books of rules with regard to the decision making process (e.g. who, how and when) and documentation;
- by using established criteria, prioritise diseases for surveillance and define the methods to be used;
- develop economic analysis of policy options, including economic criteria for inclusion of selected animal diseases in the control program;
- set up an early warning system for detection and reporting of livestock disease situations in Kosovo and the region;
- by using established criteria, prioritise diseases for control by vaccination and other methods;
- produce a clear set of recommendations for surveillance of animal diseases;
- produce a clear set of recommendations for control of animal diseases;
- implement long term training for an epidemiology unit in the KFVA.

Within this action, special attention shall be given to the training of veterinary professionals at the administration level, as well as training of private veterinarians and veterinary technicians. Provision of scientific know-how to staff at KFVA Headquarters, field veterinarians and laboratory analysts is a prerequisite for the creation of an efficient animal health control system. Based on a training needs assessment, a training programme for all professional staff of the veterinary service in Kosovo shall be developed and special courses for animal health experts will be implemented. Trainings on selected animal diseases will be held at KFVA headquarters and in the field, whereas specialized trainings in Epidemiology will be carried out in one of the universities in Europe. A minimum of 2 veterinarians working for KFVA will receive a long term training/master in the field of veterinary epidemiology.

Particular attention will be given to awareness raising activities whereby the public will be informed on newly adopted measures in the animal health area.

Activity 3: "Preparation of a comprehensive Document for the transposition and implementation of the EU *acquis* in chapter 12 – Food Safety, Veterinary and Phytosanitary Policy"

Thirdly, as the aim is to be eligible and authorized for export to the EU, it is needed to also further prepare the Kosovo administration for the alignment with the EU *acquis* under the Chapter 12 - Food Safety, Veterinary and Phytosanitary Policy. With this as a goal, a road map Document that will serve as a basis for transposition, implementation and enforcement of the EU *acquis* in Chapter 12 shall be drafted in coordination with the Ministry of Agriculture, Forestry and Rural Development and Ministry of European Integration (MEI) and in accordance with Kosovo rules for policy development. This document will provide a detailed timeline for the gradual alignment as well as an estimation of costs for enforcement of new/amended legislation in the following areas:

- General food safety
- Veterinary policy
- Placing on the market of food, feed and animal-by products
- Food safety rules
- Specific rules for feed
- Phytosanitary policy
- Genetically Modified Organisms.

The Document will serve as a basis for monitoring progress in adoption of Chapter 12, annual updates of NPAA and planning of the donor's aid. Consecutively, the veterinary services' capacities will be strengthened to properly carry out related duties in accordance with developed procedures.

RISKS

A risk that may impact on a successful implementation of the planned sector support is that the transfer of responsibility for inspections from Municipalities to the Agency is further delayed.

A second issue is allocation of budget required for maintenance and operation of biosafety level 3 laboratory facilities and regional offices.

Unresolved land ownership issues may cause delays in the construction/refurbishment of regional KFVA offices.

Overall, the quality of legislative proposals for *acquis* transposition is generally low with negative effects on implementation. Overall, this is due to different causes: a) weak capacities of the Office of the Prime Minister (OPM) Legal Department to provide guidance over *acquis* transposition and scrutinise policy contents; b) the inter-ministerial consultation process regarding transposition has not been fully established in secondary legislation and therefore internal coordination mechanisms between Centre of Government Institutions (Office of the Prime Minister, Ministry of European Integration and Ministry of Finance) and line Ministries still needs improvements; c) public consultations are sporadic and don't allow for active involvement of those who are likely to be affected by the new policy and legislative proposals; d) limited quality of regulatory and fiscal impact assessments and sporadic or inconsistent estimation of costs of implementation.

Mitigation measures:

Already during the preparation of the action document, a number of measures have been undertaken to mitigate risks identified and also meet preconditions set. The following are the activities undertaken, or to be undertaken, between now and approval of projects:

-For the transfer of Inspectors - government is already informed on the conditions and the first high level meeting between KFVA, Ministry of European Integration and Prime Minister's Office was held during the last week of February. A commitment letter from the Prime Minister's Office with clear deadlines for transfer of Inspectors is expected to be received within the second quarter of 2017:

-For the regional offices, the CEO of the KFVA has already met mayors of the 6 municipalities where the offices shall be built. Confirmation has already been received from 2, whereas the other 4 mayors have committed to provide the land during this year:

-With regards to budget – the currently ongoing IPA funded project "Support in the development and implementation of Food Safety and Sanitary and Phytosanitary Controls in Kosovo" will be supporting KFVA in building financial and management capacities as well as long budgetary planning. By September 2017, KFVA with the support of the project, will present a midterm budget to the Ministry of Finance and this budget projection will take into account also maintenance and operation of the new infrastructure.

The Action will seek for close coordination with the Ministry of Agriculture, Forestry and Rural Development and Ministry of Health, which has decision-making competences in the target sector, the OPM and the MEI which lead and supervise transposition of the EU acquis and the Ministry of Finance (MoF) which oversight on the quality of fiscal and regulatory impact assessments and secure the necessary funds for implementation. In addition, the OPM is also the responsible institution for the implementation of the "Strategy for Improving Policy Planning and Coordination in Kosovo", which is intended to address the shortcomings in the policy and legislative development and coordination system.

The main assumption identified for this action is the confirmation from KFVA/MAFRD on the ownership of the land/premises which shall be built on/refurbished and confirmation on the availability of budget for maintenance and operation of premises/equipment.

CONDITIONS FOR IMPLEMENTATION

The main precondition for this action is the transfer of municipal inspectors to the KFVA. For specific objectives 1 and 2, a written commitment will be obtained from government with a timeline for transfer of the Inspectors.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

Under these planned actions, the KFVA will be the lead institution for this action document, as well as main beneficiary. According to the Food Law and other legislation in place, KFVA is the executive agency responsible to the Prime Minister's office with responsibility for food safety through food supply chains from farm to fork. In order to implement sound management practices, the MAFRD and Ministry of Health are responsible for preparing policies and legislation covering areas under the executive power of KFVA. The functioning of the KFVA is supported by a scientific council whereas the actual work and performance is monitored by the KFVA management board comprised of representatives including those of MoH and MAFRD. Ministry of European Integration is also involved in the .Key stakeholders addressed by this action document are all participants in food supply chains from farm to fork. Inclusion of the key stakeholders will be done through already established dialogue and consultation mechanisms. MAFRD inclusion is through working group meetings for the preparation of support measures. KFVA as implementing agency has an already established communication programme which enables timely provision of information on the new requirements in place, transition periods and availability of advice in implementation of legislation.

For each project a steering committee will be set up which is responsible for the overall management of the project and comprise of representatives from the IPA II beneficiary side, the EU Office and the Ministry of European Integration. All major decisions related to the overall implementation of the project will be decided and approved by the project steering committee. The project steering committee will be composed by all relevant stakeholders that are benefiting for the project and are relevant for this particular subject matter.

The Action is going to be implemented under direct management by the European Union Office in Kosovo (EUO). Implementation period of the action shall be 24 months.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

The Action will be implemented through direct management by the EU Office

The activities under this action will be carried out through the following types of contract:

- Specific objective 1- Works and supply contract;
- Specific objective 2 - Technical assistance;
- Specific objective 3 - Technical assistance.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

Monitoring and evaluation of the implementation of this Action will be conducted in accordance with the rules of direct management and respecting the requirements and provisions of IPA II regulations and those laid down in the Framework Agreement and in the respective Financing Agreement. Achievement of the Action results will be regularly monitored by the EUO to Kosovo and the National IPA Coordinator.

Implementation of this Action will be subjected to special attention of the Sectorial Monitoring Committee and IPA Monitoring Committee which shall measure the progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. The Sectorial Monitoring Committee will report to the IPA Monitoring Committee and will make proposals on any corrective action to ensure the achievement of the objectives of the action and enhance its efficiency, effectiveness, impact and sustainability.

In accordance with Article 8 of the Commission Implementing Regulation (EU) No. 447/2014, NIPAC shall take measures to ensure that the objectives set out in the Action are appropriately addressed during the implementation of EU assistance.

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations. In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

Furthermore a number of rules are defined by the EU *acquis* for the import from third countries to the EU market: "The third country must be approved to export a specific category of food of animal origin and must be in the list of approved third countries for that specific category of food. Before a country is approved and can start to export food of animal origin, an evaluation of the country and its competent authority will be carried out by the relevant EC services." Timing of the evaluation should be agreed during the next meeting between Food and Veterinary Office (FVO), the Kosovo Food and Veterinary Agency and the relevant Commission's services scheduled for 17 May 2018 in Pristina.

INDICATOR MEASUREMENT

Indicator	Baseline (2016) (2)	Target 2020 (3)	Final Target (2022) (4)	Source of information
Progress made towards meeting Copenhagen criteria (EC)				
Number of laboratories of Level 3 constructed and equipped	0	1	1	KFVA internal reports
Degree of air flow and climate control system in the Veterinary and Food Safety Laboratory	70%	85%	100%	
Waste management system for safe and effective handling of hazardous waste	inappropriate disposal of hazardous waste	hazardous waste properly disposed	hazardous waste properly disposed	
Number of regional food and veterinary offices constructed/refurbished	0	6	6	
System of disease control and eradication	partially operational	fully operational	fully operational	EC Reports KFVA internal reports
Number of eradication campaigns conducted	5	7	9	
Number of staff male/female specialised in veterinary epidemiology	0	2	2 (1 female)	
Number of staff trained in the management of diseases	5	20	35	
Number of awareness campaigns implemented	0	2	4	
Kosovo's Action Plan for the transposition and implementation of the EU <i>acquis</i> in the Chapter 12, food safety, veterinary and phytosanitary policy approved	0	1	1	EC Reports KFVA internal reports

5. SECTOR APPROACH ASSESSMENT

The agricultural policy objectives are defined in the strategic framework for Agriculture and Rural Development in Kosovo. One of the most important measures envisaged by this strategic framework is investments in physical assets in the processing and marketing of agricultural products. This measure is giving priority to investment for the implementation of food safety standards which have special importance for competition with the foreign suppliers.

Development of the Authority responsible for implementation of legislation in the area of food safety, animal health and plant health is recognised as one of the priorities within the agriculture and rural development in the Sector Policy Document.

This is further strengthened in the EC Indicative strategy paper for Kosovo which defines investments, both in infrastructure and in building the capacities of staff at headquarters and regional offices to implement the integrated and risk-based system in the area of food safety and quality as one of the priorities. Signature and subsequent entering into force of the SAA agreement prompts the need for further institutional development and acceleration of the harmonisation of veterinary, sanitary and phytosanitary rules with EU standards to help Kosovo's exports meet international requirements.

Therefore the sector assessment approach for this action document is focused on providing assistance to make a further progress in the alignment with the EU *acquis* and as an important aspect in creating export possibilities for Kosovo food of animal origin products. One of the objectives of this Action document is to create a proper institutional framework for the transposition, implementation and enforcement of the EU *acquis*.

6. CROSS-CUTTING ISSUES

GENDER MAINSTREAMING

Activities in this Action Document will be implemented in accordance with all main principals of gender mainstreaming.

In that sense, the proposed action will provide an opportunity for qualified women to be involved in those activities which are traditionally done by men e.g. inspection services, auditing of the food processing plants etc.

In job openings and all bodies involved, this action will seek to ensure equal gender representation, defined as 50% by the Law on Gender Equality. Their equal rights in Kosovo are guaranteed with the Law No. 05/L -020 on gender equality. Businesses owned by women will be prioritized in getting the benefits from this Action; in addition, women being employees in farms and businesses will be treated in priority while being selected to attend trainings provided by this Action.

Women will be particularly encouraged to attend training programmes and will also have an advantage under training of trainer's schemes and leadership roles in the functioning of regional offices of the KFVA.

EQUAL OPPORTUNITIES

Equal opportunity needs will be considered as an integral part of the Action with regular monitoring to ensure relevant issues are given due prominence. In particular, a training programme will be concentrated on ensuring that equal opportunity issues are given fair treatment by the programme.

All activities will respect the principles of equal treatment and opportunities for both, man and woman. Institutions benefiting from the Action are equal opportunity employers.

MINORITIES AND VULNERABLE GROUPS

The Action will assist beneficiaries in implementing mechanisms to ensure that in all the phases of policy development and implementation, the principle of equitable representation of ethnic minorities and the protection of minority right is taken into consideration. Also, through the Action equal access and status will be assured to the members of the vulnerable groups too.

Minorities will be treated equally, as guaranteed by Amendment No. 59 to the Constitution of Kosovo. The alignment to the EU *acquis* will take into consideration minorities and vulnerable groups

Project will be implemented in the entire Kosovo and specific implementation arrangements shall be put in place for the minority's areas. . In all activities related to planning and implementation, all necessary steps will be undertaken to ensure that rights of minorities and vulnerable groups are appropriately considered. Special efforts will be made to include RAE population and RAE enterprises in the activities, through close communication with local and international organisations already active in the area of entrepreneurship promotion and support among the RAE communities. Regional office of Mitrovica will be given a priority in terms of functionalization.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER STAKEHOLDERS)

Through this Action the civil society sector will be involved in a series of training events/exercises and awareness campaigns in order to increase their capacities and knowledge on new adopted measures and procedures in the veterinary activities. Kosovo Chamber of Veterinarians, Agri Food producer associations, Livestock Breeding associations, Chamber of Commerce will have important role on implementation of the action.

Moreover, the civil society and other social actors will be systematically involved in legislative development at sector level according to Kosovo rules for public consultation, thus ensuring that the opinions of the target groups which are likely to be affected by new laws are adequately considered.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

Environmental considerations will be duly reflected in all IPA-financed activities. Improvement of veterinary health and upgrading of laboratory shall include measures of adjustment to higher standards of environmental sustainability (e.g., animal waste). Hazardous waste may cause threats to human health or the environment if managed improperly. Building and installation of waste management system shall lead to the safe and effective handling of hazardous waste thus contributing to the protection of the environment in Kosovo. However, the Action will have minor direct impact on the environment.

7. SUSTAINABILITY

The Actions will have an impact on Kosovo system for animal disease control and in general veterinary system. It will help to ensure the same level of disease control and protection to food products sold within the territory of Kosovo. The expected direct impact of the action will be the reduction of the incidence of animal diseases. The proposed Action is also expected to have a major impact on the health of consumers in Kosovo.

It will increase competitiveness of the Kosovo products of animal origin in the internal market and markets in the region.

The trainings which are an integral part of this Action will improve knowledge and skills of veterinary administration staff, veterinary inspection staff and laboratory staff, field veterinarians and other stakeholders, in animal health, animal welfare and other areas of veterinary policy. This capacity building component will contribute to sustainability of the achieved results. Moreover, training activities will be coordinated with the Kosovo Institute for Public Administration and where possible, will be carried out in cooperation with it, thus facilitating proper knowledge transfer to the institution responsible for training in the public sector.

In order to ensure sustainability of the action, EU through TA project is already providing support to the KFVA administration in budgetary planning, procurement rules and procedures as well as training on contracting of auxiliary services.

Kosovo European perspective and access to EU market has also increased significantly the importance of the KFVA as an institution; this will be naturally followed with the increase of budget which will enable hiring of the staff and maintenance of the systems and infrastructure.

In addition, to contribute to sustainability of results, integration of the approach advocated in the "Better regulation Agenda" and of some key principles of public administration will be ensured, notably: a) development of new legislation/ amendments will be carried out respecting all procedures in Kosovo, especially those related to (fiscal/ regulatory) impact assessments, public consultations, inter-ministerial coordination; the action will provide support to the beneficiaries with 'options analysis', regulatory impact assessments, concept papers, etc. prior to supporting them with drafting of legislation/ amendments; actual legal drafting will be mainly done by the beneficiary and even if some drafting is done by experts, it will be paired with capacity building (e.g. detailed explanation of proposed texts, comparison among international examples, etc.); b) guidelines and rulebooks will be developed in close cooperation with those who are expected to use them and will be simple enough to be updated and changed by the staff of the beneficiary organisations without external support; any guidelines or procedures developed through the action will not contradict with any legal provision in Kosovo; if necessary the action will support harmonisation of the new guidelines and procedures with the existing provisions.

8. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the Action. The implementation of the communication activities shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the European Commission (DG NEAR) will have to be followed.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.

A targeted group shall be all participants in food supply chains from farm to fork. Special attention shall be given to a proper communication to the new policies in the area of the animal health.

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA monitoring committee and the sectoral monitoring committees.

Annex I: List of previous IPA projects

IPA 2010 twinning project “Further assistance to Kosovo Food and Veterinary Agency” implemented during 2012-2014. The main objective of the project was to contribute to the consumer protection in Kosovo by ensuring food safety in accordance with EU standards and to strengthen the KFVA’s capacity to adopt and enforce EU policies and legislation in the area of food safety and public veterinary services.

2011 Project “Support for the Control and / or Eradication of animal diseases in Kosovo” ensured supply and air distribution of rabies vaccines.

2011 Project “Support for the Control and / or Eradication of animal diseases in Kosovo” had a goal setting up and execution of surveillance; coordination and exchange of information on the situation and evolution of CSF and rabies programmes in the Western Balkans.

2011 Project “Assistance in Establishing Processing Plant for the disposal of animal by-products” had the goal to improve public and veterinary public health by putting in place effective and safe system of handling animal by-products.

IPA 2012 project “Construction of Processing Plant for the disposal of animal by-products” - The purpose of this works contract is building of rendering plant for processing of animal by-products and administrative building for personnel working at the plant and managing the plant – **In the preparatory phase**

IPA 2013 project “Technical Assistance for Animal Health Department of KVFA and Food and Veterinary laboratory”. The overall objective of the project was to strengthen safeguarding measures of animal health from introduction of exotic diseases and reinforce the capacity to implement and eradication plans for diseases present in Kosovo.

IPA 2013 project Title “Supply of laboratory equipment for Food and Veterinary Laboratory, IT equipment for paying unit of the MAFRD and biological materials for the Animal Health Unit” – Within the project supply of biological materials for the Animal Health Unit in value of 0.6 million was contracted.

IPA 2014 twinning project “Support to Kosovo Food and Veterinary Laboratory” aimed at ensuring uniform implementation of legal framework on food safety in accordance with EU rules and regulations as well as best practices, and support Kosovo Food and Veterinary Laboratory in increasing the range, quality and reliability of services provided including validation of existing services and introduction of new test method, with particular focus on drugs and residue testing program.

IPA 2015 technical assistance “Support to Kosovo Food and Veterinary Agency in developing its capacity to implement an integrated approach to food safety, including through upgrading and functionalizing of its IT system” with the main aim to support to Kosovo Food and Veterinary Agency in developing its capacity to implement an integrated approach to food safety, including through upgrading and functionalizing of its IT system.

IPA 2016 “Support in the development and implementation of food safety and Sanitary and Phytosanitary Controls” with the aim to strengthen the legislative, institutional and administrative capacity related to food and feed safety, implement traceability of food and feed, and contribute to upgrading of establishments that process food of animal origin in Kosovo; to upgrade livestock breeding policies and to support Association of Milk Producers in implementation of milk recording system with included animal component and becoming financially self-sustainable.

Annex II

Sector: Food safety and Veterinary Policy: Strengthening the Kosovo Food and Veterinary Agency (KFVA)

Budget: 5,2m

