1. Basic information

1.1 CRIS Number: 2010/022-154

1.2 Title: Strengthening the Phytosanitary Directorate

1.3 ELARG Statistical code: 03.12 – Food safety, veterinary and phytosanitary policy

1.4 Location: Montenegro

Implementing arrangements:

1.5 Contracting Authority: Delegation of the European Union to Montenegro

1.6 Implementing Agency: N.A.

1.7 Beneficiary (including details of project manager): Phytosanitary Directorate of Montenegro.

Project Manager:
The Project Managers will be:

Zorka Prljevic, director
Phytosanitary Directorate
Bratstva i jedinstva bb, 20000 Podgorica, Montenegro

The Contact person will be:

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Adviser
Phytosanitary Directorate
Bratstva i jedinstva bb, 20000 Podgorica, Montenegro
Tel. +382 20 621 111
Fax + 382 20 621 008
Email: djuroz@t-com.me, fitosanitarnaupravacg@t-com.me

Financing:

1.8 Overall cost (VAT excluded): € 770,000

1.9 EU contribution: € 700,000

1.10 Final date for contracting: 2 years from the date of the conclusion of the Financing Agreement
1.11 **Final date for execution of contracts:** 2 years from the end date of contracting

1.12 **Final date for disbursements:** one year from the final date for execution of contracts

2. **Overall Objective and Project Purpose**

2.1 **Overall Objective:**

Protect Montenegro against the harm caused by introduction and spread of plant harmful organisms, to ensure the safety food derived from plants and secure the health and quality status of crops in Montenegro.

2.2 **Project purpose:**

Upgraded and strengthened capacity (administrative and technical) of Phytosanitary Directorate for successful implementation of EU legislation in phytosanitary area - plant health, plant protection products, seed and propagating material, plant variety rights and inspections.

2.3 **Link with AP/NPAA / EP/ SAA**

In European Partnership with Montenegro (EP) in Sectoral policies part Agriculture and fisheries is noted that is necessary to strengthen the veterinary and phytosanitary services, including control and laboratory capacities and to continue efforts to align legislation with the EU veterinary and phytosanitary acquis including the setting up of an integrated food safety system aiming at avoiding overlapping and increasing food safety.

The Stabilisation and Association Agreement (SAA) between the Government of Montenegro and the European Community was signed in October 2007. Article 97 of the agreement aim to develop in all priority areas related to the Community acquis in the field of agriculture, as well as veterinary and phytosanitary domains.

2.4 **Link with MIPD**

Multi-annual indicative planning document for Montenegro 2009 – 2011:

− in part *Objectives and choices* in point (8) was given priority to food safety, veterinary and phytosanitary standards in the field of animal and plant diseases control, promotion and protection of food products, animal disease control, as well as the implementation of international agreements in the field of public health (communicable and non communicable diseases); supporting to the fishery sector (covering both marine and inland fisheries) and industry standards;

− in part *Expected results and indicators* is noted: Veterinary, phyto-sanitary and food safety legislation is progressively aligned to EU acquis; this would include increased capacity of veterinary and phyto-sanitary
controls; increased awareness about rights and obligations on the side of producers and consumers, improved promotion and protection of food products, product safety mechanisms are in line with the EU good practice. **Indicators:** Exports and imports of foodstuffs tested and followed-up; improved public health indicators; number of foodstuffs with protected designation of origin, protected geographical indication and traditional speciality guaranteed.

2.5 **Link with National Development Plan**

Not applicable

2.6 **Link with national/ sectoral investment plans**

Strategy on food production and rural development – Montenegro’s agriculture and the European Union (adopted in 2006) provides the basis for further major reforms and legislative work required for phytosanitary policy.

Strategy on Integrated Border Management (IBM) was adopted in February 2006. Four main bodies (Ministry of Internal affairs, Customs, Veterinary Service, Phytosanitary Directorate) are currently controlling implementation (control mechanism for integrated border management at national level).

National Programme for European Integration is being finalised and in part 3.12.3. Phytosanitary policy was given plan for transposition of EU legislative in phytosanitary area for 2008-2012.

3. **Description of project**

3.1 **Background and justification:**

The European Commission’s Progress Report stated that some progress had been made in the phytosanitary area, and noted that some laws in phytosanitary area were adopted. It also noted that Montenegro must review organisation in this sector and assign clear competences and authorities and strength capacity for control.

The single authority for phytosanitary area in Montenegro is the Phytosanitary Directorate (PD) under the supervision of the Ministry of Agriculture, Forestry and Water Management.

The Phytosanitary Directorate of Montenegro was established by the Regulation on Amendments and Modifications to the Regulation on Organization and the Work of State Administration (“Official Journal of Montenegro”, No. 43/2008) and was formed assuming affairs regarding plant health protection, plant protection products, seeds and propagating material, plant variety rights, food safety. The Phytosanitary Directorate also provides inspection controls inside country and on the borders by phytosanitary inspectors.
The Phytosanitary Directorate is responsible for drafting and enforcing legislation. At the central level the Phytosanitary Directorate has: Division for plant health protection, Division for Seeds and propagation material, plant variety protection and GMO, Division for Plant protection products, plant nutrition products and food safety and Division for phytosanitary inspectorate. Division for phytosanitary inspectorate at the territorial (local) level has 7 departments.

The professional and technical support to the Phytosanitary Directorate (laboratory analysis, job of public interest) in phytosanitary area is provided by Biotechnical Faculty, Centre for Eco-toxicological Research in Montenegro, Podgorica (physic-chemical analysis of pesticides) and Public Health Institute (laboratory testing of food for residues of plant protection products).

Strengths are: the Phytosanitary Directorate on this stage has sufficient number of employees (administrative staff, inspectors...), available national budget, adequate office space and basic equipment available.

Weaknesses and threats are: information system doesn’t exist, insufficient informative knowledge of employees, poor experience in use EU standards from phytosanitary area, import of plant shipments represents potential hazards for spreading of plant harmful organisms and in finally represent a high risk for the public health, some facilities for phytosanitary controls are still in unsatisfactory conditions, a relatively large quantity of phytosanitary goods, which come in Montenegro, may be source of infection, often latent, and may cause considerable damages in plant production. In order to prevent the spread of plant harmful organisms, they can be put in quarantine under special conditions, until the attendance or absent of the quarantine harmful organisms is confirmed.

In order to enforce the newly adopted legislation in the phytosanitary area in compliance with EU standards and best practices, it is necessary to continue with the strengthening and modernization of appropriate infrastructure facilities, both administrative and technical.

This project should provide exceeding of these weaknesses and also utilizing of strengths.

Also, project will provide defining administrative and operative procedures.

This project is necessary for the Phytosanitary Directorate of Montenegro in order to provide employees with state of art know how which result in more effective work and to set up integrated information system within the Phytosanitary Directorate which should be able to provide better communication and exchange of information among staff.

### 3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact
The phytosanitary conditions in Montenegro will be upgraded. Some seeds and plants for planting, and a limited number of end products for consumer use, must travel with a plant passport issued by growers authorised to do so. The plant passport specifies that the material originates from a registered and officially inspected place of production. Further non-discriminatory checks on plants and plant products may be carried out en route or at the final destination. These checks can be targeted where there is earlier evidence of non-compliance. Authorisation of growers is based on regular inspection of their premises for the presence of harmful organisms by or on behalf of the Phytosanitary Directorate.

Specific phytosanitary provisions have huge impacts on trade in general. The Montenegro plant health policy needs to take into account its impacts on society at large, and to strike an appropriate balance between social, economic and environmental impacts.

Citizens value an unspoilt and healthy environment. Entry and establishment of harmful organisms often results in increases of pesticide use and could thus impact negatively on the environment. Prevention of entry of new harmful organisms and diseases helps limiting the use of pesticides.

Montenegro citizens would expect to stimulate and facilitate the agriculture system as a whole (growers, farmers and the associated supply and marketing chains), as this is a major employer and source of economic benefits for society. They would presumably be in favour of plant health measures, in so far as these would protect economic growth, employment and rural economies against harm inflicted by harmful organisms, unless the cost-benefit balance for society at large is negative or when measures are perceived as unfair to individual growers or private persons.

Citizens value an unspoilt landscape and are concerned about the rapid loss of natural habitats, biodiversity and plant resources worldwide. Entry and establishment of harmful organisms may lead to serious damage to street trees, public and private green, recreational forests and to disruption and loss of natural ecosystems and habitats.

The most important milestones of the project in terms of impact are:
fully operational of the Phytosanitary Directorate (administrative staff, inspectors etc.);
adoption and implementation of the acquis communautaire;
laboratories developing procedures in accordance with the EU standards.

3.3 Results and measurable indicators:

Result 1

National legal framework in the phytosanitary area is harmonized with EU legislation.
Indicators:

- phytosanitary legislation in force reviewed, gaps are identified and relevant legislation is adopted by the relevant executive and legislative institutions;
- inspection control, prevention, administrative control, urgency and other types of measures regularly implemented: control of import, export and production in accordance to EU standards, information exchange with phytosanitary directorates of other countries, custom offices and other related institutions.

Result 2

Inspection and other administrative and operational procedures in the phytosanitary area developed and adopted. Review report on the existing organizational structure.

Indicators:

- Registries developed and functional (keep records about producers, importers, exporters…);
- Publications issued (instructions for administrative staff, inspectors, importers, exporters, and measures against harmful organisms…);
- published manuals and training manuals with procedure for:
  a. inspections, notification of interception, sampling;
  b. plant harmful organisms;
  c. registration of operators;
  d. import from third countries;
  e. pesticide residues;
  f. placing on the market PPP;
  g. seeds and propagating material;
  h. plant variety rights.

Result 3

Inspectors, administration and laboratory staff are capable to properly carry out related duties in accordance to the acquis.

Indicators:

18 experts are trained to perform inspection control and detection of quarantine pests;
10 experts are trained for administration jobs (procedures, registry…);
10 experts are trained in diagnostic methods in the field of mycology, virology, nematology and bacteriology.

Result 4
Set up and improved information system.

Indicators:

- manuals for mandatory exchange of information published,
- new software installed and functional,
- staff trained,
- other institutions - users of information system acquainted with the system,
- stakeholders and public are familiar.

3.4 Activities:

Activities which will be undertaken after receiving funds have to contribute realization of results.

These activities are:

1.1 review of existing and drafting of necessary legislation and amendments (including bylaws, rulebooks, instructions, manuals…);
1.2 necessary corrections to bring the control system in full conformity with the acquis;
2.1 review of the existing operational procedures and institutional set up;
2.2 advisory and development of new procedures for effective implementation of EU legislation;
3.1 training for relevant administrative staff;
3.2 needs assessment and purchase of necessary equipment;
3.3 developing appropriate tools (e.g. diagnosis, identification and detection methods);
4.1 developing of procedures for communication and information exchange;
4.2 needs assessment and purchase of necessary equipment and software;
4.3 staff training needs assessment and provision of training;
4.4 provision of information and training other relevant institutions on new information system;
4.5 communication with stakeholders and public.

3.5 Conditionality and sequencing:

Montenegro progress in the Phytosanitary area has been noted through quality improvement in sector and in sustainability and investment. All this will be assured and returned through public interest. Investment in institutions, administration, trained staff, IT and administrative procedures resulting with changes in the upper levels.

For this project the Phytosanitary Directorate provides sufficient qualified full-time personnel for project preparation and implementation and provides the allocation of appropriate human resources for implementation of various specialized services concerned with specifics in projects, and these staffing levels will be maintained throughout the duration of the project.
3.6 Linked activities

Project of agricultural reform in Montenegro – World Bank credit and grant

Component 2: Strengthening MAFWM’s administrative and management capacity in accordance with EU pre-accession requirements resulting in the loss of both institutional memory

Sub-component 2.3. Creating a Modern Food Safety System
The objectives of this sub-component are to support the creation of an efficient and EU-compliant food safety system and to magnify the impact of planned capacity building initiatives supported by the EU in the area of food safety under IPA 2008, notably legal and regulatory reform and strengthening of public veterinary, phyto-sanitary, and sanitary services. The project would support a series of investments in Montenegro’s food safety infrastructure.

Border Inspection Posts, Port of Bar (340,000€)
The Port of Bar is the main sea point of entry into Montenegro. It also serves neighbouring countries such as Serbia, Kosovo and even Albania. Throughput of commodities of veterinary interest averages 150 consignments per month, out of which 90% is imported or passes in transit through the customs zone and the remaining 10% is imported through the passenger terminal. Throughput of commodities of phytosanitary (i.e., plant material) interest averages 80-100 consignments per month, out of which 15-20% are passing in transit. The project would finance technical assistance for the preparation of a feasibility study and business plan that will (i) assess current and forecasted trade patterns and throughputs; (ii) establish administrative and operational procedures; (iii) define most likely future use; and (iv) propose suitable facilities and location, infrastructure and equipment that meet EU standards. Subject to availability of either an existing facility or a suitable free plot within the port customs zone, the feasibility study would form the basis for project investments in civil works and equipment (electro-mechanical, IT, communication, furniture etc).

“Strengthening of the Veterinary and Phytosanitary Services of Montenegro”
Project funded at the amount of € 1.5 million (CARDS 2003). The project contributed to establishing business plans on appropriate investment strategies for private vets. A new Veterinary Laboratory building was completed and necessary equipment was purchased. The phyto-sanitary component improved (1) the phyto-sanitary diagnosis and inspections to prevent or reduce the spread of harmful organisms as required by the EU and other international standards and (2) the control, including the forecasting of common pests and diseases.

"Refurbishment of the Food Safety Laboratories in the Biotechnical Institute"
Project funded at the amount of € 0.8 million (CARDS 2005).

IPA 2008 Development of the Food Safety Services
The short-term priorities of the European Partnership include the adoption of the Food Safety Law; a law on animal welfare and a new veterinary law; and strengthening the veterinary and phytosanitary services, including control and laboratory capacity. It also emphasises the need to continue the alignment of
legislation with the EU veterinary and phytosanitary acquis, including setting up an integrated food safety system and the preparation of a programme for upgrading food processing establishments.

3.7 Lessons learned

Experience has shown that the effectiveness of phytosanitary system must be ensured by strengthen administrative capacity.

If the phytosanitary authorities are able to overcome difficulties, the balance of phytosanitary system could benefit from investments.

Investment in phytosanitary system is investment in integrated food safety systems and require a constant flow of support firstly to create a fully operational system across the country, and secondly to upgrade the system. Having in mind that donors have not provided support to the reform in phytosanitary area since 2005, the framework of donor dialogue should be expanded because beneficiary absorption capacity (the Phytosanitary Directorate) has improved. The Phytosanitary Directorate should take the lead on such coordination activities.
### 4. Indicative Budget (amounts in EUR)

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>IB (1)</th>
<th>INV (1)</th>
<th>TOTAL EXP.RE</th>
<th>SOURCES OF FUNDING</th>
<th>NATIONAL CONTRIBUTION</th>
<th>PRIVATE CONTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR (a) = (b) + (c) + (d)</td>
<td>EUR (b)</td>
<td>% (2)</td>
<td>Total EUR (c) = (x) + (y) + (z)</td>
<td>% (2)</td>
<td>Central EUR (x)</td>
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<td>Activity 1</td>
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<td>contract 1 (IPA)</td>
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<td>700.000</td>
<td>700.000</td>
<td>100</td>
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<td>Contract 2 (NC)</td>
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<td>70.000</td>
<td>70.000</td>
<td>100</td>
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<td>TOTAL IB</td>
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<td></td>
<td>700.000</td>
<td>700.000</td>
<td>100</td>
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<td>TOTAL INV</td>
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<td>70.000</td>
<td>70.000</td>
<td>100</td>
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<td>TOTAL PROJECT</td>
<td>770.000</td>
<td>700.000</td>
<td>90.9</td>
<td>70.000</td>
<td>9.1</td>
<td>70.000</td>
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</tbody>
</table>

Amounts net of VAT

(1) In the Activity row use “X” to identify whether IB or INV

(2) Expressed in % of the Total Expenditure (column (a))
5. Indicative Implementation Schedule (periods broken down per quarter)

<table>
<thead>
<tr>
<th>Contracts</th>
<th>Start of Tendering</th>
<th>Signature of contract</th>
<th>Project Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 1 (IPA twinning)</td>
<td>Q3 2010</td>
<td>Q2 2011</td>
<td>Q2 2012</td>
</tr>
<tr>
<td>Contract 2 (NC supply)</td>
<td>Q3 2010</td>
<td>Q1 2011</td>
<td>Q1 2012</td>
</tr>
</tbody>
</table>

All projects will be ready for tendering in the 1ST Quarter following the signature of the FA

6. Cross cutting issues

6.1 Equal Opportunity

In supporting legislative harmonisation, steps will be taken whenever relevant to insert provisions that enhance equal opportunities.

Equal treatment and opportunities for women in the relevant institutions will be taken into account in local level policies and practices that reflect the working capacities and family obligations of their staff, especially women’s participation.

6.2 Environment

This Project shares the objective to promote healthy and productive crops and to minimize environmental harm in achieving this objective.

Citizens of Montenegro value an unspoilt healthy environment. Entry and establishment of harmful organisms often results in increases of pesticide use and could thus impact negatively on the environment. Prevention of entry of new harmful organisms and diseases helps limiting the use of pesticides. Moreover, for a number of regulated pests and diseases there are no curative treatments possible at all.

Citizens of Montenegro value an unspoilt landscape and are concerned about the rapid loss of natural habitats, biodiversity and plant resources. Entry and establishment of harmful organisms may lead to serious damage to street trees, public and private green, recreational forests and to disruption and loss of natural ecosystems and habitats.

In the context of climate change, increasing demands will be put on forests as a source of raw material, which means that it will become more important to protect forests against harmful impacts, including those of harmful organisms, whose spread moreover may be facilitated by global warming.
6.3  Minorities N/A

The project will assist beneficiaries in implementing mechanisms to ensure that in the legislative process the principle of equitable representation of ethnic minorities is taken into consideration. There will also be a requirement that selected proposals from municipalities take into account minorities’ interests.
## ANNEX I: Logical framework matrix in standard format

<table>
<thead>
<tr>
<th>LOGFRAME</th>
<th>Programme name and number: Strengthening the administration capacity of the Phytosanitary Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting period expires</td>
<td>two years from the date of the conclusion of the Financing Agreement</td>
</tr>
<tr>
<td>Disbursement period expires</td>
<td>one year from the final date for execution of contracts</td>
</tr>
<tr>
<td>Total budget:</td>
<td>€ 0.77 million EUR</td>
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<tr>
<td>IPA budget:</td>
<td>€ 0.7 million EUR</td>
</tr>
</tbody>
</table>

### Overall objective
- protect Montenegro against the harm caused by introduction and spread of plant harmful organisms, to ensure the safety food derived from plants and secure the health and quality status of crops in Montenegro
  - ensured safety plant origin food
  - secured safe trade
  - provided a legal implementation framework
  - checked movements of plants
  - controlled harmful organisms
  - Implemented preventative measures to guard against the introduction and spread of organisms harmful to plants or plant products within Montenegro
  - contributed plant health protection through sustainable production
  - ensured quality conditions for the sale of seeds and propagating material
  - Covered the intellectual property rights granted to plant varieties

### Sources of Verification
- Official Gazette
- Government monitoring reports
- EU monitoring reports
- Quarterly experts' reports
- Feedback requested from applicants on their opinion of changes implemented

### Project purpose
- Upgraded and strengthened capacity of Phytosanitary Directorate for successful implementation and transposition of EU legislation in phytosanitary area - plant health, plant protection products, seed and propagating material, plant variety rights and inspections
  - relevant EU legislation in the Phytosanitary area adopted
  - EU requirements from phytosanitary area are prepared for implementation:
    - output control of national producers
    - upgraded plant health protection
    - harmonized system of PPPs in Montenegro with EU
    - harmonized system of quality of seeds and propagating material
    - harmonized system of plants variety rights
    - upgraded inspections controls

### Sources of Verification
- Phytosanitary Directorate web-site
- EC progress report
- Media

### Assumptions
- Sufficient number and quality of scientific staff and well trained personnel
- Continuing good relations and coordination with other services and institutions
<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| 1. National legal framework in the phytosanitary area is harmonized with EU legislation | - Phytosanitary legislation adopted by the relevant executive and legislative institutions  
- Inspection controls, prevention, administrative control, urgency and other types of measures regularly implemented: control of import, export and production in accordance to EU standards, information exchange with phytosanitary directorates, custom offices and other related institutions | • Official Gazette.  
• Manuals  
• Project reports  
• Media  
• Phytosanitary Directorate web-site | • Continuing Government support  
• Phytosanitary Directorate capable of retaining key staff  
• Systems and procedures in place are accepted, evaluated and aplicable  
• Acceptance of employees and other related institutions and public service of new information system |
| 2. Inspection and other administrative and operational procedures in the phytosanitary area developed and adopted | - Registries developed and functional (keep records about producers, importers, exporters…)  
- Publications issued (instructions for administrative staff, inspectors, importers, exporters, and measures against harmful organisms…)  
- Published manuals for procedures:  
  - inspections, notification of interception, sampling,  
  - plant harmful organisms  
  - registration of operators  
  - import from third countries  
  - pesticide residues  
  - placing on the market PPP  
  - seeds and propagating material  
  - plant variety rights | | |
| 3. Inspectors, administration and laboratory staff are capable to properly carry out related duties in accordance to the acquis | Inspectors, administration and laboratory staff are trained:  
- 18 experts are trained to perform inspection control and detection of carantine pests  
- 10 experts are trained for administration jobs (procedures, registry…)  
- 10 experts are traind in diagnostic methods in the field of entomology, mycology, virology, nematology, bacteriology …. | | |
| 4. Set up and improved information system | Manuals for mandatory exchange of information published  
New software installed and functional  
Staff trained  
Other institutions – users of information system acquainted with the system  
Stakeholders and public are familiar | | |
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Costs</th>
<th>Assumptions</th>
</tr>
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<tbody>
<tr>
<td>1.1. Review of existing and drafting of necessary legislation and amendments (incl. bylaws and rulebooks)</td>
<td>Twinning contract – IPA funds 1.1, 1.2, 2.1, 2.2, 3.1, 4.1, 4.2, 4.3, 4.4, 4.5</td>
<td>Total : € 770,000</td>
<td>• Good level of cooperation between twinning partners</td>
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<tr>
<td>1.2. Necessary corrections to bring the control system in full conformity with the acquis</td>
<td>Supply contract(s) – National contribution 3.2, 3.3,</td>
<td>IPA funds : € 700,000</td>
<td>• Availability of qualified staff retained</td>
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<tr>
<td>2.1. Review of the existing operational procedures and institutional set-up</td>
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<td>National contribution: € 70,000</td>
<td>• Continuing support by the relevant Government institutions</td>
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<td>2.2. Advisory and development of new procedures for effective implementation of EU legislation</td>
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<td>3.1. Training needs assessment and provision of training for relevant administrative staff</td>
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<td>3.2. Needs assessment and purchase of necessary equipment</td>
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<td>3.3. Developing appropriate tools (e.g. diagnosis, identification and detection methods)</td>
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<td>4.1. Developing of procedures for communication and information exchange</td>
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<td>4.2. Needs assessment and purchase of necessary equipment and software</td>
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<td>4.3. Staff training needs assessment and provision of training</td>
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<td>4.4. Provision of information and training of other relevant institutions on new information system</td>
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<td>4.5. Communication with stakeholders and citizens</td>
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Preconditions
- sufficient number of employees
- available national budget
- adequate office space and basic equipment available
ANNEX II: amounts (in EUR) Contracted and disbursed by quarter for the project

<table>
<thead>
<tr>
<th></th>
<th>Q4 2010</th>
<th>Q1 2011</th>
<th>Q2 2011</th>
<th>Q3 2011</th>
<th>Q4 2011</th>
<th>Q1 2012</th>
<th>Q2 2012</th>
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<td>Disbursed</td>
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<td>560.000</td>
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<td>140.000</td>
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<td>700.000</td>
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<td>Cumulated</td>
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<td></td>
<td>560.000</td>
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<td></td>
<td></td>
<td>700.000</td>
<td></td>
<td></td>
<td>700.000</td>
</tr>
</tbody>
</table>
**ANNEX III  Description of Institutional Framework**

The single authority for phytosanitary area in Montenegro is the Phytosanitary Directorate (PD) under the supervision of the Ministry of Agriculture, Forestry and Water management.

The Phytosanitary Directorate of Montenegro was established by the Regulation on Amendments and Modifications to the Regulation on Organization and the Work of State Administration (“Official Journal of Montenegro”, No. 43/2008) and was formed assuming affairs regarding:

- plant health protection,
- plant protection products,
- seeds and propagating material,
- plant variety rights,
- food safety.

The Phytosanitary Directorate also provides inspection controls inside country and on the borders by phytosanitary inspectors.

The Phytosanitary Directorate is responsible for drafting and enforcing legislation.

At the central level the Phytosanitary Directorate has:

- Division for plant health protection,
- Division for Seeds and propagation material, plant variety protection and GMO,
- Division for Plant protection products, plant nutrition products and food safety and
- Division for phytosanitary inspectorate.

Division for phytosanitary inspectorate at the territorial (local) level has 7 departments.

The professional and technical support to the Phytosanitary Directorate (laboratory analysis, job of public interest) in phytosanitary area is provided by:

1) Biotechnical Faculty:
   a. Centre for Plant Protection, Podgorica – which includes the phytosanitary laboratory and analyzing the biological effectiveness of pesticides;
   b. Centre for Sub-Tropical Cultures, Bar – analyzing physical and chemical attributes of pesticides;
   c. Centre for crop, vegetable and fodder plants, Podgorica – seed certification;

2) Centre for Eco-toxicological Research in Montenegro, Podgorica (physic-chemical analysis of pesticides);

3) Public Health Institute - (laboratory testing of food for residues of plant protection products).
ANNEX IV Reference to laws, regulations and strategic documents:

Law on Plant Health Protection (Official Gazette of RM, No. 28/06) and the following secondary legislation:

Regulation on the Forecast and Reporting Jobs in Plant Protection Domain (Official Gazette of RM, No. 65/99);
Criteria for Establishing the Health Status of Crops and Establishments, Seeds, Propagating and Planting Materials;
Rule Book on the Services Intended for the Plant Health Protection Domain (Official Gazette of FRY, No. 42/99);
Rule Book on the Health Checks of Plant Consignments in the Trade Across the State Border (Official Gazette of FRY, No. 69/99);
Ordinance Specifying the Varieties of Imported Planting Materials and for Monitoring the Health Status of the End Users (Official Gazette of FRY, No. 8/99);
Ordinance Putting the Ban on Import and Transporting of Certain Varieties of Plants and for Putting in Quarantine Certain Varieties of Plants Imported for Growing (Official Gazette of FRY, No. 65/99);
List of Quarantine Harmful Organisms (Official Gazette of FRY, No. 8/99);
List of Economically Harmful Organisms (Official Gazette of FRY, Nos. 65/99 and 67/99);

Law of Plant Protection Products (Official Gazette of RM, No. 51/08):

Rule Book on the Methods of Pesticides Testing (Official Gazette of FRY, No. 11/99);
Rule Book on the Requirements for the Production Line, Trade, Import and Sampling of Pesticides and Compost (Official Gazette of FRY, No. 12/99);

Law on the Agricultural Plant Seeds (Official Gazette of RM, No. 28/06) and the Law on Planting Material (Official Gazette of RM, No. 28/06), whereas the forestry area is governed under Law on the Forest Tree Reproductive Material (Official Gazette of RM, No. National Program for Integration 279 37/2007).

Law on the Plant Variety Protection (Official Gazette of RM, No. 48/07, 48/08).
ANNEX V: Details per EU-funded contract (*) where applicable:

The project will be implemented through 2 contracts, presented in the table below:

<table>
<thead>
<tr>
<th>Contract</th>
<th>Focus</th>
<th>Type of contract</th>
<th>Source of funding</th>
<th>Indicative Amount (EUR)</th>
<th>Indicative duration (months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 1</td>
<td>Approximation of legislation, capacity building measures, creation of a data system</td>
<td>Twinning</td>
<td>EU</td>
<td>700,000</td>
<td>12</td>
</tr>
<tr>
<td>Contract 2</td>
<td>Purchase of equipment for Phytosanitary testing and analyses</td>
<td>Supply</td>
<td>National funds</td>
<td>70,000</td>
<td>12</td>
</tr>
</tbody>
</table>

The implementation of contracts 1 and 2 is linked. Contract 1 will be launched first in order to ensure the support for preparation of the technical specification for Contract 2. Correspondingly, Contract 2 will be completed before Contract 1, under which an evaluation of the impact of purchased equipment on the phytosanitary control has to be done.

A. Contract 1 is a twinning contract.
The objective of this activity is to enable Phytosanitary Directorate and other institutions which supports Phytosanitary Directorate to become competent in managing and operating the legal, inspection and control systems, as defined by the European Community.

The key contractor’s tasks include:

(1). Legislation approximation activities – focus to be put on:
- Analysis of the current state of play of legislation in comparison with the EU acquis and preparation of a Table of correspondence;
- Preparation of legislative proposals according to the identified priorities;
- Preparation of a national team of experts able to draft national legislation on phytosanitary area;

(2). Capacity building activities – focus to be put on:
- Analysis of the needs of all phytosanitary area related state bodies in terms of equipment, IT, training, software development, operational and procedural systems, etc. Preparation of the technical specification for the purchase of equipment for testing and analysis;
- Provision of advisory services, advise and on-going support on phytosanitary to all state bodies in the chain;
- Organisation of training on at least 3 key subjects:
  (i) EU system for phytosanitary control,
  (ii) effective methods for inspections, control and monitoring,
  (iii) quality sampling incl. ensuring traceability of sampling;
  (iv) effective testing methods in line with the EU standards.
More particularly, the training has to cover general principles of phytosanitary area and all included issues:

(i) Plant Health – Harmful Organisms
   a. General control measures
   b. Specific control measures
   c. Protected zones
   d. Inspections and notification of interception
   e. Registration of operators - Plant passports
   f. Import from third countries

(ii) Plant Health – Plant Protection Products
   a. Placing on the market
   b. Pesticide residues

(iii) Quality of Seeds and Propagating Material

(iv) Plant Variety Rights

(3). Data and information systems:
- Upgrading and preparation (where needed) of the inspection and control plans;
- Upgrading and preparation (where needed) of the contingency plans;
- Information and awareness raising activities – focus to be put on:
  - Organisation of an information and awareness raising campaign on phytosanitary issue;
  - Establishing of an integrated automated and linked IT system

(4). Project management activities – focus to be put on:
- Coordination of the activities of all long- and short-term experts involved in project implementation;
- Evaluation of the impact of purchased equipment on the phytosanitary control;
- Reporting, communication with the beneficiaries

In order to implement this major objective the Contractor has to provide at least:

**Key expert: Resident twinning adviser**

The Project Manager will drive the implementation of the service contract, provide overall guidance on project orientation and focus and ensure that contract objectives are met. He/she will ensure timely identification of short term and other expert requirements, determine their profiles and inputs, supervise and coordinate their actions and ensure quality control of all TA-team outputs. Besides the management aspects, he/she will particularly responsible for:
- Upgrading and preparation (where needed) of the inspection and control plans;
- Upgrading and preparation (where needed) of the contingency plans;
- Implementation of the awareness campaigns.

The required qualifications, skills and experience include:
- university degree in a relevant discipline, along with strong communication and leadership skills;
- at least 10 years of professional experience in the phytosanitary sector preferably gathered in the EU and in CEEC / transition economies;
- excellent practical experience in phytosanitary inspections, policy and strategy formulation;
• previous experience as team leader or project director in a long term assistance project in a third country (new EU Member States and/or EU candidate or acceding countries is an advantage) in a relevant thematic area.

Legislation and Capacity building Expert - plant health

The legislation expert will be responsible for implementing all activities related to the approximation of the legislation of Montenegro to the acquis: analysis of the current state of play in comparison with the acquis, drafting of legislative proposals and recommendations, providing consultation and training of a group of national experts on legislative drafting in relation to plant health. S/he will be responsible for the developing and implementing all capacity building measures – consultancy, on-going support and training activities, assessment of the needs related to human resource management and development, as well as for drafting of operational rules and procedures.

The CB Expert will also be responsible for evaluation of the project impact on the capacity of the relevant state bodies and for drafting of future precise measures for further extending of the capacity building programmes beyond the scope of the project.

He/She has to demonstrate:
• up to date and in depth knowledge of the EU plant health legislation and institutional structures required to implement the plant health control policy;
• previous experience in assessing third country legislation and institutional arrangements (including inspection, laboratory control etc.) for compliance with EU plant health requirements is desirable, as experience in having assisted in defining plant health policy strategy and worked in legal alignment and institutional reform projects including laboratory control and accreditation in new Member States or Candidate Countries.
Comparable experience in other third countries (EU trading partners);
• to be experienced in provision of training and consultancy in relation to plant health standards, public health, consumer protection or similar;
• to demonstrate excellent knowledge on the plant health issues in transition economies and to have previous experience in a candidate country;
• to have previous experience in needs analysis related to training and capacity building; and to building effective training programmes based on participatory training approaches.

Legislation and Capacity building Expert - plant protection products

The legislation expert will be responsible for implementing all activities related to the approximation of the legislation of Montenegro to the acquis: analysis of the current state of play in comparison with the acquis, drafting of legislative proposals and recommendations, providing consultation and training of a group of national experts on legislative drafting in relation to plant protection products. S/he will be responsible for the developing and implementing all capacity building measures – consultancy, on-going support and training activities, assessment of the needs related to human resource management and development, as well as for drafting of operational rules and procedures.

The CB Expert will also be responsible for evaluation of the project impact on the capacity of the relevant state bodies and for drafting of future precise measures for further extending of the capacity building programmes beyond the scope of the project.

He/She has to demonstrate:
• up to date and in depth knowledge of the EU plant protection products legislation and institutional structures required to implement the plant protection products control policy;
• previous experience in assessing third country legislation and institutional arrangements (including inspection, laboratory control etc.) for compliance with EU plant protection products requirements is desirable, as experience in having assisted in defining plant protection products policy strategy and worked in legal alignment and institutional reform projects including laboratory control and accreditation in new Member States or Candidate Countries. Comparable experience in other third countries (EU trading partners);

• to be experienced in provision of training and consultancy in relation to plant protection products standards, public health, consumer protection or similar;

• to demonstrate excellent knowledge on the plant protection products issues in transition economies and to have previous experience in a candidate country;

• to have previous experience in needs analysis related to training and capacity building; and to building effective training programmes based on participatory training approaches.

Legislation and Capacity building Expert - seeds and propagating material

The legislation expert will be responsible for implementing all activities related to the approximation of the legislation of Montenegro to the acquis: analysis of the current state of play in comparison with the acquis, drafting of legislative proposals and recommendations, providing consultation and training of a group of national experts on legislative drafting in relation to seeds and propagating material. S/he will be responsible for the developing and implementing all capacity building measures – consultancy, on-going support and training activities, assessment of the needs related to human resource management and development, as well as for drafting of operational rules and procedures.

The CB Expert will also be responsible for evaluation of the project impact on the capacity of the relevant state bodies and for drafting of future precise measures for further extending of the capacity building programmes beyond the scope of the project.

He/She has to demonstrate:

• up to date and in depth knowledge of the EU seeds and propagating material legislation and institutional structures required to implement the seeds and propagating material control policy;

• previous experience in assessing third country legislation and institutional arrangements (including inspection, laboratory control etc.) for compliance with EU seeds and propagating material requirements is desirable, as experience in having assisted in defining seeds and propagating material policy strategy and worked in legal alignment and institutional reform projects including laboratory control and accreditation in new Member States or Candidate Countries. Comparable experience in other third countries (EU trading partners);

• to be experienced in provision of training and consultancy in relation to seeds and propagating material standards, public health, consumer protection or similar;

• to demonstrate excellent knowledge on the seeds and propagating material issues in transition economies and to have previous experience in a candidate country;

• to have previous experience in needs analysis related to training and capacity building; and to building effective training programmes based on participatory training approaches.

Legislation and Capacity building Expert - plant variety rights

The legislation expert will be responsible for implementing all activities related to the approximation of the legislation of Montenegro to the acquis: analysis of the current state of
play in comparison with the acquis, drafting of legislative proposals and recommendations, providing consultation and training of a group of national experts on legislative drafting in relation to plant variety rights. S/he will be responsible for the developing and implementing all capacity building measures – consultancy, on-going support and training activities, assessment of the needs related to human resource management and development, as well as for drafting of operational rules and procedures.

The CB Expert will also be responsible for evaluation of the project impact on the capacity of the relevant state bodies and for drafting of future precise measures for further extending of the capacity building programmes beyond the scope of the project.

He/She has to demonstrate:

- up to date and in depth knowledge of the EU plant variety rights legislation and institutional structures required to implement the plant variety rights control policy;
- previous experience in assessing third country legislation and institutional arrangements (including inspection, laboratory control etc.) for compliance with EU plant variety rights requirements is desirable, as experience in having assisted in defining plant variety rights policy strategy and worked in legal alignment and institutional reform projects including laboratory control and accreditation in new Member States or Candidate Countries. Comparable experience in other third countries (EU trading partners);
- to be experienced in provision of training and consultancy in relation to plant variety rights standards, public health, consumer protection or similar;
- to demonstrate excellent knowledge on the plant variety rights issues in transition economies and to have previous experience in a candidate country;
- to have previous experience in needs analysis related to training and capacity building; and to building effective training programmes based on participatory training approaches.

**Senior IT Expert - IT**

This expert will be fully responsible for the assessment of the IT needs of the relevant institutions and the establishment of an IT system. S/he will have previous experience in evaluation of the IT needs and developing IT systems, preferably for the needs of the phytosanitary systems in the EU or candidate countries.

A number of short-term (senior and junior) experts will also be involved in this project.

**B. Contract 2 (National Contribution)**

This contract will ensure the purchase of additional equipment for monitoring and testing related to phytosanitary issue.