

**Project Fiche – IPA National programmes / Component I**

**1 IDENTIFICATION**

<b>Project Title</b>	Improving the productivity of the Livestock Sector
<b>CRIS Decision number</b>	2013 / 024-935
<b>Project no.</b>	06
<b>MIPD Sector Code</b>	Agriculture and rural development
<b>ELARG Statistical code</b>	02.11 - Agriculture and rural development
<b>DAC Sector code</b>	31163 - Livestock
<b>Total cost (VAT excluded)<sup>1</sup></b>	EUR 2 000 000
<b>EU contribution</b>	EUR 1 800 000
<b>Management mode</b>	Decentralized management
<b>Implementing Agency</b>	<p>The Central Finance and Contracting Unit (CFCU) within the Ministry of Finance will be the contracting authority and will be responsible for all administrative and procedural aspects of the tendering process, contracting matters and financial management, including payment of project activities. The Head of the CFCU will act as Programme Authorising Officer (PAO) of the project.</p> <p>Ms. Anila Boshnjaku (Tanku)            General Director of the CFCU/ Ministry of Finance            Email: <a href="mailto:atanku@minfin.gov.al">atanku@minfin.gov.al</a>            Tel: 00355 4 245 1180            Address: Blvd. "Deshmoret e Kombit", No. 3, Tirana</p>
<b>Implementation management</b>	<p>Ministry of Agriculture, Rural Development and Water Administration / Directorate of European Integration            Director Ariana Misha (SPO)            Tel.: +355 42 227920            Cel.: +355 672084014            Email: <a href="mailto:anamisha@yahoo.com">anamisha@yahoo.com</a>            web: <a href="http://www.mbumk.gov.al">www.mbumk.gov.al</a>            Blvd."Deshmoret e Kombit" 1002-Tirana, Albania</p> <p><u>Mr. Fahri Isaj</u>            Director General of Agriculture Policies            Cel :0674004499            Tel :042228621            Email :<a href="mailto:fahri.isaj@mbumk.gov.al">fahri.isaj@mbumk.gov.al</a></p>

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<sup>1</sup> The total project cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

<b>Implementing modality</b>	Stand-alone project
<b>Project implementation type</b>	One service contract for technical assistance; one service contract for supervision and one works contract; one supply contract.
<b>Zone benefiting from the action(s)</b>	Albania

## 2 RATIONALE

### 2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

The livestock sector in Albania plays a very important role in the development of agriculture and rural business as it provides around 52 % of the production value of agriculture and is an important source not only to farm income but also to market supply with raw and processed products.

Nevertheless, despite the potentials, yields and economic efficiency of the sector are low to be competitive due to various constraints including the production structure, farm size, low return to labour in the sector and education level of farm operators.

In the short-run, an overall increasing of rural income due to larger farm operations is less likely to occur. Therefore, improving of productivity and efficiency coupled with diversification of rural activities can be seen as a policy whose all farming sector can benefit from, not only the larger farms.

At such point, upgrading of farm operators knowledge becomes of utmost importance to keep pace with technological progress in the field, adopt better farm management practices and take appropriate decisions, become responsive toward market behaviour and challenges following correct information.

Farmers receive knowledge from different sources including the public extension service operating through Agriculture Technology Transfer Centres as the major source of information. Private extension services provider and to a less extent farmers and agro-business associations operate as well but at limited scope and coverage.

Besides the National Support Scheme to Agriculture, operational since 2008, the Albanian farmers are also benefiting from EU-IPARD assistance funded under IPA 2011. The related investments cannot generate higher returns if the recipients of the support have not the necessary knowledge to run and manage the operations.

Therefore, it becomes necessary that the extension service and in particular the public service acquire through tailored training a greater capacity to transfer the needed knowledge in terms of technology and management to farmers and rural operators. Subjects of training will include animal health, animal welfare, farm building standards, environmental protection, farm management, animal feeding and breeding, small scale animal food processing etc.

### 2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

**The relevance for the MIPD 2011-2013 is linked to the following:**

"For the coming three years the main specific objective is to improve overall the competitiveness of the agricultural sector. Furthermore, the capacity of the administrative

structures, responsible for the harmonised implementation of agricultural policy and rural development measures shall be improved. The employment in rural areas should be increased through diversified agricultural economic activities as well as training of actors in rural areas. It is also important to improve the capacity of advisory and extension services for farmers, increase and facilitate the access to credits for farmers and to improve the quality of statistical data."

**The link to the National Strategy for Development and Integration (NSDI) is demonstrated by the following:**

The agricultural policy of the government mentions as one of its strategic priorities:

"Increase financial support to farms, agricultural and agro-industrial businesses with special emphasis on fruit trees, vineyards, vegetables and livestock farming, as well as on industrial processing of fruit, grapes, vegetables, milk and meat, on the basis of the advantages in different areas of the country."

**The Sector Strategy for Agriculture and Food 2007- 2013 mentions:**

The livestock sector is considered a priority for the following reasons:

- It provides more than a half of agriculture GDP and employs more than a half of the labour force,
- Despite the current low productivity, it contains great production potentials not only to satisfy the needs of domestic market but also for exports,
- It embeds a high commitment for the government to bring the national legislation to EU standards regarding animal health, welfare, safety of food of animal origin and enforce it.

**2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT**

In line with the medium term priorities of the **European Partnership 2007**<sup>2</sup>, the project will assist in the achievement of priorities related to food safety, phytosanitary and veterinary legislation and registration of animals in compliance with EC requirements.

The project will help Albania to modernize and restructure the Albanian agriculture, agro-industrial and rural development sector while supporting the gradual approximation of Albanian legislation and practices to the Union rules and standards as provided for in Article 95 of the **Stabilisation and Association Agreement (SAA)** between the Government of Albania and the European Community signed on 12 June 2006.

**The EU Progress Report 2012**

The report states that progress was uneven in the area of agriculture and rural development, in particular with setting up rural development institutions. Efforts are needed regarding capacity-building (of both private and public players) in rural development.

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<sup>2</sup> Council Decision 2008/210/EC of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Albania and repealing Decision 2006/54/EC.

## **National Plan for Implementation of SAA 2012-2015**

The Livestock production based upon the Article 95 of the Stabilisation and Association Agreement (SAA) and the government program aims to analyse, identify and design policies, sectorial strategies related to the livestock development, in order to guide and support the meeting of market needs with livestock production at national and local level through the use of resources and introduction of new techniques and technologies in the production.

This main objective will be addressed through:

- Gradually align the national legislation on livestock sector to the EU *acquis*;
- Increase the awareness of livestock producers on the evolving market demand and guide them to adopt efficient production practices that will increase the net profits while maintaining competitiveness;
- Strengthen the public structures to deliver the right signal to the producers and provide them with adequate information and advice;
- Ensure that other related fields are keeping pace in terms of legislation alignment and enforcing of rules;
- Necessary physical infrastructure that ensures increased access to markets and information is being gradually improved.

### **2.4 PROBLEM ANALYSIS**

The livestock sector plays a determinant role in the economic and social aspects of the country providing more than half of the value of agricultural production and engaging a significant part of the labour force in rural areas.

Although the positive trend in livestock production during the last decade, the production is rather extensive. Relatively larger farms represent a small percentage of the farming structure (i.e. about 1 % in cattle and 15 % in small ruminants). Yields are below to the breeds' potential (2600 litres of milk per cow, 58 litres per ewe and 109 litres per doe).

Besides the weaknesses on modern farm management, livestock production efficiency is affected by limited knowledge in feeding, breeding and animal health care practices responsible for obtaining low yields. Although at a decreasing rate, due to inappropriate selection of animal breeds (that are mostly for milk production), there are still large imports of beef and live animals for slaughtering.

The last census of population showed that now more people are living in urban areas due to movement of population. Despite the migration, the farm size has not changed very much. Moreover, it appears that the average age of farm operator has increased (more than 30 % of operators in 2010 were above 65 years old as compared to 23 % in 2006) implying a migration of younger generation outside agriculture. Consequently, many farms are continued to be run by older people without the necessary education (more than 64 % of farm operators have none, elementary or low secondary education).

Although occupy a small percentage in the structure of agriculture, the number of larger farms has increased and thus has the marketed product from these farms. Nevertheless, 76% of the farms remain purely subsistence farms.

Increasing of farm income cannot be achieved without a significant improving of the available resources (land, labour and capital). However, so far, the information the farmer receives is strictly technical regarding merely production techniques rather than other important issues characterizing animal production such as farm management, animal health, consumer protection against transmissible diseases to humans, animal feeding, insemination

and breeding, animal welfare, environmental protection, storage of farm products, small scale processing of farm products, food safety at farm level, agricultural legislation, etc.

Besides the land, moving from a subsistence farm to commercial that often involves also capital investments, would require that the nowadays farmer learns about the mentioned subjects in continuous contact with disseminated information from public or private extension services.

At present, public extension services are part of the Ministry of Agriculture. They employ 270 agricultural specialists placed in 120 information centres. In addition, there are two livestock related Agriculture Technology Transfer Centres which employ 23 livestock specialists. The role that these centres currently play regarding commercial livestock farms is still limited. Problems include poor infrastructure especially with regard to animal production facilities and equipment.

The change in the knowledge of farmers should start first with a change to the public extension services regarding their capacity to translate technology and any other animal related subjects into understandable and implementable practices.

Therefore, before entering into technical terms (vertical dimension), assistance should ensure significant improvements on the approach (horizontal dimension) the public extension service should adopt to really transfer to farmers the required services. The approach will focus on capacity building including three main elements:

1. Improving the methodology of communication and dissemination of information to farmers and other rural beneficiaries,
2. Be able to select and apply the most appropriate means and instruments for dissemination in accordance with the needs and within contained budgets.
3. Increase the capacity to adopt and disseminate production techniques by improving the basic physical infrastructure necessary for applied research and demonstration purposes.

The improving of technical capacity of extension service may imply a restructuring of the service and reallocation of resources in line with assessed needs and estimated workload of the staff to cover as many subjects possible.

Setting up of farmers associations based on the production and/or marketing of a specific product or animal breed can be seen as a useful instrument to complement the extension service to deliver information and also other public services e.g. veterinary implying less costs as some services are carried out by the association for its members.

## **2.5 LINKED ACTIVITIES AND DONOR COORDINATION**

This project will be complementary to two main projects IPA 2011 “Support to the agriculture and rural development” and a Italian loan funded project focussing on harmonisation of legislation, creation of hardware and software infrastructure, Land-Parcel Identification System (LPIS) and farm register, in order to enable the Agriculture and Rural Development Agency (ARDA) to better realize its institutional duties.

The UNDP project *“Improving the performance of livestock sector in Albania”*, co-financed by the European Union and the Italian Government and in partnership with the Ministry of Agriculture, has supported the establishment of a livestock association “Ionian Lamb” in Saranda and Delvina, aiming to contribute to the economic growth in rural areas through improvement of the performance of the livestock sector in the target area through improved

production practices and selling of quality and safer animal origin products, developing a distinguished value chain of lamb meat.

The EU IPA 2011 Project “*Support for Agriculture and Rural Development*” (SARD-IPARD) is co-funded by the German Government and implemented by GIZ on the basis of a Delegation Agreement with the EU Delegation of Tirana in the framework of the Economic Development and Employment Promotion (EDEP) Programme. The project implementation period comprises two years (1st July 2012 to 30th June 2014).

The EU PAZA-Project is working with key stakeholders of the Veterinary and Food Safety Sector. The project provides technical support on veterinary and animal health issues to the State Veterinary Service - including its I&R and epidemiology units and the regional and district veterinary services and all private veterinarians working in the field. PAZA-Project also addresses food safety issues related to zoonosis in close collaboration with the National Food Authority. PAZA Project aims to promote the sustainable control of zoonotic diseases and strengthen institutional and administrative capacity. Fully functional and harmonised I&R systems are the basis for reliable information on animal disease. The major challenge is to create a stable, continuous, adequately funded and reliable animal identification and registration. The private veterinary practitioners are the key persons for doing this work. PAZA-Project will develop data recording systems for animal identification and registration (I&R) of small ruminants, cattle and swine. Additionally the PAZA-Project will support the revision of the annual service contract between the Government and private veterinary practitioners (PVPs) and the establishment of a system of performance monitoring. PAZA-Project will supply ear tags and applicators and IT equipment.

## **2.6 LESSONS LEARNED**

Experiences with other projects regarding capacity building have shown that the sustainability of project has been severely compromised without the institutional set up of the required administrative structures to be involved since the start of the project.

As a result, to be successful, this project needs not only the commitment of resources, but also the endorsement in time of any possible changes (institutional legal and administrative) required to restructure and improve the role of the public extension service to carry out its tasks in accordance with the purpose of its mission.

## **3 DESCRIPTION**

### **3.1 OVERALL OBJECTIVE OF THE PROJECT**

The project will contribute to the increase of farm income from livestock sector while ensuring economic feasibility, social fairness and environmental sustainability.

### **3.2 SPECIFIC OBJECTIVE(S) OF THE PROJECT**

Improve the capacity of extension service to communicate and disseminate to farmers useful information on agricultural production and management.

### **3.3 RESULTS**

The project is expected to achieve the following results:

Result 1: Public extension service has become able to select, elaborate, demonstrate and transfer the appropriate technical advice to the animal farming sector, which will subsequently apply and fully benefit from EU funded programmes in Albania.

Result 2: Applied research and demonstration capacity of two Agricultural Technology Transfer Centres enhanced through upgrading of physical infrastructure.

### **3.4 MAIN ACTIVITIES**

The project will carry out the following activities.

**Related to result area 1** (technical assistance to support the performance and quality of the public extension service regarding the livestock sector):

- 1.1. Assess the current capacity of the extension service to select, prepare and disseminate technical and managerial information to farmers with the purpose of making its structure more effective and efficient.
- 1.2. Prepare and carry out a detailed training programme for the staff of extension services regarding the horizontal subjects of information and dissemination (methodology and means) and vertical ones (technical);
- 1.3. Establish cooperation between the extension service and other sources of information such as private extension , farmer associations, Agricultural University and technical bodies under the Ministry of Agriculture to elaborate and endorse a clear platform of extension services in line with the development priorities of the government;
- 1.4. Engage extension service in potential applications regarding animal production and processing to be presented for funding through IPARD measures;
- 1.5. Assist the extension services for the developing of necessary practical manuals to guide farmers and agro-processor when planning investments e.g. construction standards for animal buildings, environmental protection, hygiene, animal welfare etc;
- 1.6. Improve the animal information system with additional elements regarding animal production, insemination and breeding and set up the necessary structures for the collection, analysis and monitoring of information;
- 1.7. Support existing or newly livestock based associations or relatively large livestock farms with necessary training regarding financial management, animal registration, animal breeding, record keeping, product marketing etc;
- 1.8. Design specific studies to understand the role of structural and technical factors on farm income and assist in the formulation of appropriate policy instruments to encourage the increasing of production efficiency and competitiveness in livestock sector.

**Related to result area 2** (Applied research and demonstration capacity of two Agricultural Technology Transfer Centres enhanced through upgrading of physical infrastructure)

- 2.1. Prepare the design for two buildings (including the technical specifications for machinery and equipment) located in Agricultural Technology Transfer Centres of Fushe-Kruja and Korca and carry out the supervision of works (contract 2.1 – services)

- 2.2. Construct/rehabilitate and equip the two buildings at the Agricultural Technology Transfer Centres of Fushe-Kruja and Korca to serve as demonstration and likely vocational centres for animal production science and practice (contract 2.2 – works)

The above activities will be complemented by a parallel supply managed by the beneficiary and funded from the national contribution (contract 2.3: supply) which will include:

- Supply of animals for the demonstration centres of Fushe-Kruja (cattle) and Korca (small ruminants)
- Supply of ear-tags for the livestock under breeding programmes
- Supply of hardware for the public extension service, associations and private farmers involved in the animal information databases

### **3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT**

#### **Project impact**

The main impact of the project is the increase in the awareness of farming sector about the unused potentials in agriculture due to lack of management and knowledge followed by an immediate response in the propensity to invest in the sector. In the long run, the project impact will result in increased productivity and competitiveness.

#### **Catalytic effect**

Increased investments in the farming sector will receive the attention of the food processing industry, which will increasingly focus on competitive and diversified products with positive impact on employment opportunities.

#### **Cross border impact**

In the medium and long run, structure and trade flow between boundary regions may change in accordance with economic efficiency of farming sector.

### **3.6 SUSTAINABILITY**

The sustainability of the project will depend at large on:

- Continuous importance paid by the government to extension services as drivers of the technological progress to the agricultural sector and therefore not only institutional set up of the relevant structures but also allocation of necessary financial resources to sustain the activity of the service.
- Policies and instruments that increase the demand of farmers for investments and improved advisory services.



### **3.7 ASSUMPTIONS AND PRE-CONDITIONS<sup>3</sup>**

- Government is committed to allocate in time the necessary human (i.e. staffing needs) and financial resources (operational and material costs) to implement this project as indicated in the budget table.
- Government will ensure that animal identification and registration process regarding bovine and ovine continues and full updating of animal register is being carried out including the entry of information on animal movements.
- The government is willing to support the appropriate policies that aim to increase the awareness of farmers and agro-processing and increase their demand for further education and dissemination of information on production and markets.
- Technical staff in the ATTCs has understood the role and tasks laid down for the education of the farming sector and willing to participate in the training programmes.
- Farmers as individuals or in associations are aware of the benefits they can gain from an improved extension service policy to invest in the sector.

### **3 IMPLEMENTATION ISSUES**

The project will be implemented under decentralized mode via a technical assistance service contract to cover activity 1; a service contract for supervision and a works contract to cover activity 2, as well as a supply contract to build upon the results of activity 2.

#### **4.1 INDICATIVE BUDGET**

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<sup>3</sup> Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the implementation managers. Such factors are sometimes referred to as risks or assumptions but the Commission requires that all risks shall be expressed as assumptions. Pre-conditions are requirements that must be met before the sector support can start.

**Indicative Project budget (amounts in EUR) (for centralised management)**

PROJECT TITLE			SOURCES OF FUNDING									
			TOTAL EXPENDITURE	IPA CONTRIBUTION		NATIONAL CONTRIBUTION						PRIVATE CONTRIBUTION
IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	% (2)	Total EUR ©=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)	
Result 1												
Contract 1.1 Technical Assistance	X		1,320,000	1,320,000	100						-	
Result 2												
Contract 2.1 Service contract		X	80,000	80,000	100						-	
Contact 2.2 Works Contract		X	400,000	400,000	100							
Contract 2.3 Supply Contract		X	200,000			200,000	100					
TOTAL IB			1,400,000	1,320,000								
TOTAL INV			600,000	480,000		200,000						
<b>TOTAL PROJECT</b>			<b>2,000,000</b>	<b>1,800,000</b>		<b>200,000</b>						

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))

## 4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

Contracts	Start of Tendering/ Call for proposals	Signature of contract	Project Completion
Contract 1.1	Q1 2014	Q2 2014	Q2 2017
Contract 2.1	Q4 2014	Q1 2015	Q3 2014
Contract 2.2	Q2 2015	Q4 2015	Q4 2016
Contract 2.3	Q2 2015	Q4 2015	Q4 2016

## 4.3 CROSS CUTTING ISSUES

### 4.3.1 *Equal Opportunities and non-discrimination*

During the implementation of the project equal opportunities and non-discrimination shall be guaranteed to all stakeholders and parties involved.

### 4.3.2 *Environment and climate change*

Special attention is placed on environmental protection, especially in the implementation of investment components. All projects will observe national/EU standards with respect to the protection of the environment.

### 4.3.3 *Minorities and vulnerable groups*

Furthermore, minority and vulnerable groups concerns will be taken into account in all activities.

### 4.3.4 *Civil Society/Stakeholders involvement*

Relevant stakeholders are consulted during the formulation of the project fiche are:

- General Directorate of Agricultural Policy within the Ministry of Agriculture.
- Civil society, farmers and agribusinesses.

Stakeholders were consulted during various meetings organized by the Ministry of Agriculture.

## ANNEXES

### Documents to be annexed to the Project fiche

1. Log frame
2. Description of Institutional Framework
3. Reference list of relevant laws and regulations only where relevant
4. Details per EU funded contract
5. Project visibility activity

## ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Project title and number Support to the modernisation of the Livestock Sector in Albania		
		Contracting period expires no later than two years from the date of conclusion of the Agreement		Execution period expires within a maximum of two years from the end date of contracting
		Total budget	<b>2 000 000 Euro</b>	
		IPA budget:	<b>1 800 000 Euro</b>	
<b>Overall objective</b>	<b>Objectively verifiable indicators (OVI)</b>	<b>Sources of Verification</b>		
The project will contribute to the increase of farm income from livestock sector while ensuring economic feasibility, social fairness and environmental sustainability.	Income data, employment in agriculture, livestock production	INSTAT		
<b>Specific objective</b>	<b>Objectively verifiable indicators (OVI)</b>	<b>Sources of Verification</b>		<b>Assumptions</b>
Improve the capacity of extension service to communicate and disseminate to farmers useful information on agricultural production and management.	Capacity of extension service to prepare and deliver information  Requests by farmers for materials prepared by the extension service	Reports, media information		Government endorses the policies to support the public extension services and allocates the recommended financial and human resources.  Government avoids large turnovers of the staff of the extension service  Staff of extension service are willing to learn and participate in the training programmes
<b>Results</b>	<b>Objectively verifiable indicators (OVI)</b>	<b>Sources of Verification</b>		<b>Assumptions</b>

Result 1	Public extension service has become able to select, elaborate, demonstrate and transfer the appropriate technical advice for the animal farming sector to apply and benefit from EU funded programmes in Albania	No of publications, no of research and extension papers, no of dissemination events with farming sector,	No of application for IPARD-like grants
Result 2: Applied research and demonstration capacity of two Agricultural Technology Transfer Centres enhanced through upgrading of physical infrastructure.	Works progress	Tender dossiers and drawings Ste visits Supervision reports Certificates of acceptance	Government carries in time the procurement procedures and supply of goods foreseen under its contribution
<b>Activities to achieve results</b>	<b>Means / contracts</b>	<b>Costs</b>	<b>Assumptions</b>
<p><b>Result 1:</b></p> <ul style="list-style-type: none"> <li>– Assess the current capacity of the extension service to select, prepare and disseminate technical and managerial information to farmers with the purpose of making its structure more effective and efficient</li> <li>– Prepare and carry out a detailed training programme for the staff of extension services regarding the horizontal subjects of information and dissemination (methodology and means) and vertical ones (technical);</li> <li>– Establish cooperation between</li> </ul>	<ul style="list-style-type: none"> <li>Contract 1.1 (service)</li> <li>Contract 2.1: (service)</li> <li>Contract 2.2: (works)</li> <li>Contract 2.3 (supplies)</li> </ul>	<ul style="list-style-type: none"> <li><b>1 320 000</b></li> <li><b>80 000</b></li> <li><b>400 000</b></li> <li><b>200 000 (co-funding)</b></li> </ul>	<ul style="list-style-type: none"> <li>Government allocates the indicated financial resources to sustain the operational costs of the demo centres and provides in time the necessary supplies foreseen under contract 4.1</li> <li>Government ensures that construction permits are issued in time to allow for the construction of the demonstration centres.</li> <li>Government ensures that animal identification and registration system is operational and able to provide information on the livestock inventory and animal movements.</li> </ul>

<p>the extension service and other sources of information such as private extension , farmer associations, Agricultural University and technical bodies under the Ministry of Agriculture to elaborate and endorse a clear platform of extension services in line with the development priorities of the government;</p> <ul style="list-style-type: none"><li>- Engage extension service in potential applications regarding animal production and processing to be presented for funding through IPARD measures;</li><li>- Assist the extension services for the developing of necessary practical manuals to guide farmers and agro-processor when planning investments e.g. construction standards for animal buildings, environmental protection, hygiene, animal welfare etc;</li><li>- Improve the animal information system with additional elements regarding animal production, insemination and breeding and set up the necessary structures for the collection, analysis and monitoring of information;</li></ul>			
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- Support existing or newly livestock based associations or relatively large livestock farms with necessary training regarding financial management, animal registration, animal breeding, record keeping, product marketing etc;

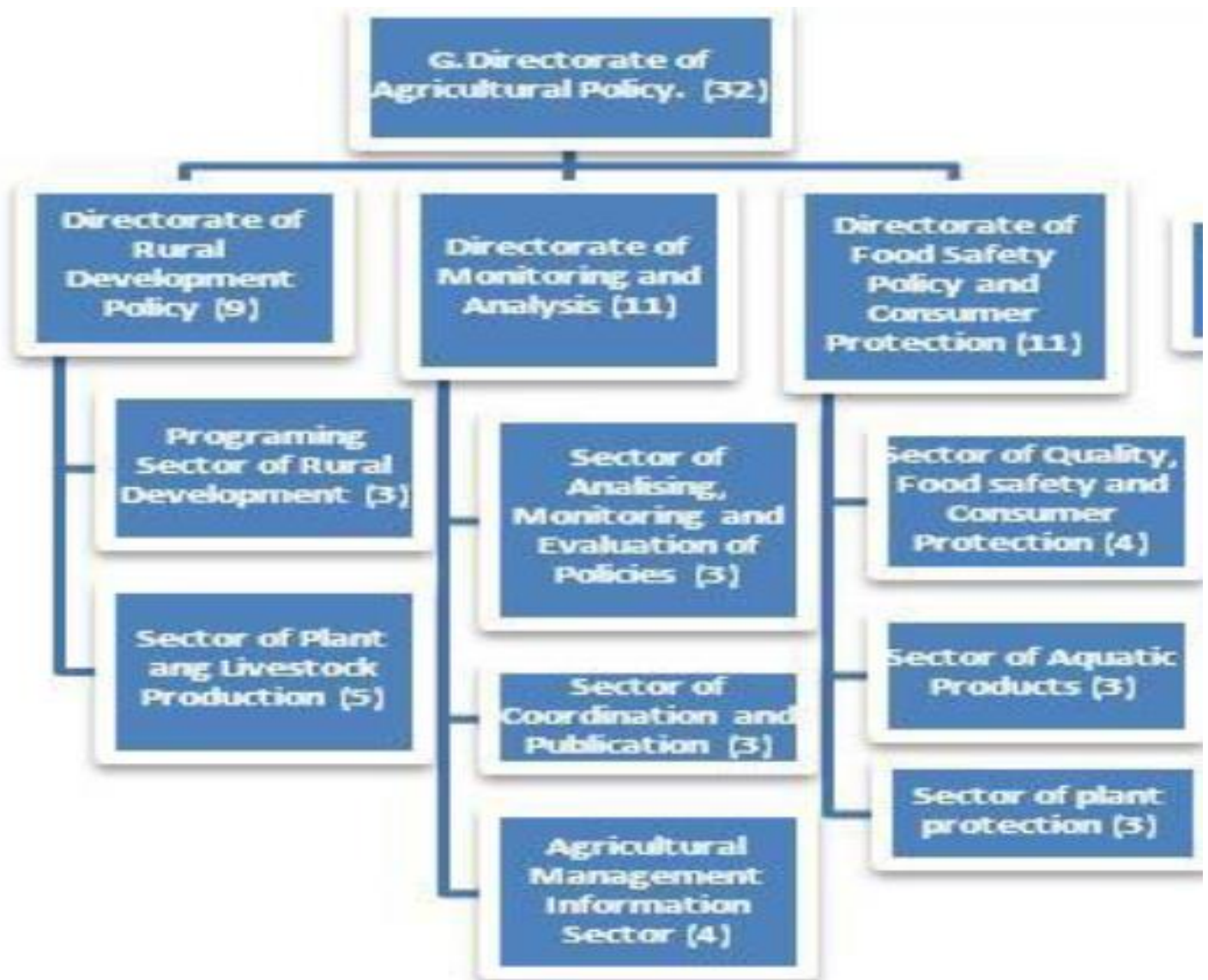
- Design specific studies to understand the role of structural and technical factors on farm income and assist in the formulation of appropriate policy instruments to encourage the increasing of production efficiency and competitiveness in livestock sector.

Result 2

- Prepare the design for two livestock building (including the technical specifications for machinery and equipment) located in ATTC of Fushe-Kruja and Korca and carry out the supervision of works

- Construct/rehabilitate and equip at ATTC of Korca and Fushe-Kruja animal buildings to serve as demonstration and likely vocational centres for animal production science and practice

## 2. Description of Institutional Framework





### **3. Reference list of relevant laws and regulations only where relevant**

#### **Law No 9817** of 22.10.2007 "On Agriculture and Rural Development

- DCM No 1443 of 31.01.2008 "On the establishment, organization and functioning of the agriculture and rural development agency (ARDA) as Paying Agency"
- DCM Nr 800 dated 14.11.2012 "On the determination the basic criteria of sectors that will be supported as well as the measures of benefit from the fund of the program for agriculture and rural development".

#### **Law No 9863** of 28.1.2008 "On Food" (as amended by Law Nr: 10137 regarding the licenses, authorizations and permissions);

- MoA instruction of 13.04.2012 regarding the adoption of the food hygiene package;
- Instruction of MoA No 20 of 25.11.2010 "On the implementation of preliminary programmes, Good Hygiene practices, Good Manufacturing practices and procedures based on HACCP in agro-processing establishments;
- Instruction of MoA No 21 of 25.11.2010 "On the specific requirements of hygiene and official controls on products of animal origin";
- Instruction of MoA No 22 of 25.11.2010 "On general and specific conditions of hygiene for agro-processing establishments and operators";
- Instruction of MoA No 23 of 25.11.2010 "On specific hygiene requirements for meat and meat products, including minced meat and mechanically divided meat".

#### **Law No. 8411** of 1.10. 1998 "On Animal Feeding stuff"

- Minister Order No. 1 of 10. 03. 2000 on "Animal Feeding Stuff"
- Minister Order No. 4 of 10. 03. 2000 on "Sample taking and conservation for official control of feeding stuffs"
- Minister Order No. 5 of 10. 03. 2000, for adoption of the Regulation "Defining of maximum allowed level of harmful substances, pesticides wastes and other additives in animal feeding stuff"
- Minister Order No. 6 of 10. 03. 2000 for adoption of the regulation "Marketing of compound feeding stuffs"
- Minister Order No. 614 of 12. 12. 2002 for adoption of the regulation "Analysis of feeding stuff"

- Minister Order No. 373 of 23. 08. 2002 for adoption of the regulation "Prevention of import of meat bone and blood grist used animal feeding stuff"

**Law No. 7893** of 22.12.1994 "On science and technologic development

**Law No. 9426**, at 06. 10. 2005 "On the breeding of livestock"

- Minister Order No. 3, of 5. 08. 2008 for adoption of the regulation "On the pedigree certification and particular for pure breeding animals of the bovine, sheep and goats, equidae, pure breed and hybrid pigs species, their semen, ova and embryos"
- Minister Order No. 422, of 17. 12. 2009 for adoption of the regulation "On the requirements concerning registration in herd and flock - books for pure - breed breeding bovine species, sheep, goats, equidae, pure-breed breeding pigs and hybrid breeding pigs"
- Minister Order No. 83, of 16/03/2010, for adoption of the regulation "For animal breeding of breeders' organizations and associations"
- Minister Order No. 3003, of 04/11/2011 for adoption of the regulation "On the zoo-technical standards of pure breed breeding animals of bovine species"
- Minister Order No. 318, of 14/11/2011, for adoption of the regulation "Zoo-technical standards concerning pure bred breeding sheep and goats"

**Law No. 8702** of 1. 12. 2000 "On the identification and registration of animals and farms"

- Government Order No. 143 of 11. 3. 2004 "For the membership of MoA in the International Commission (ICAR) for animal identification and registration"

#### **4. Details per EU funded contract:**

Activity 1: Technical Assistance to support the improving the performance and quality public extension service regarding livestock sector (service contract)

The technical assistance will be hired following the EU procurement procedures. It will be matched with national contribution to cover the operational costs of two demonstration centres to be built/rehabilitated under activity 3.

The TA is expected to extend the dissemination capacity of the extension service including subjects on animal production, management, animal health and diseases transmissible to humans, animal feeding, insemination and breeding, animal welfare, environmental protection, storage of farm products, small scale processing of farm products, food safety at farm level, construction standards of farm buildings, agricultural legislation etc. Improved dissemination practices will serve farmers in general and those who will apply under IPARD-like grant schemes.

Activity 2: Design and supervision of two livestock demonstration centres (service contract)

With the guidance of the technical assistance hired under the activity 1, this contract will regard the preparation of the appropriate designs in line with improved standards of animal housing structures at the ATTC of Fushe-Kruja and Korca

The second part of the contract will regard the supervision of works following the tendering and awarding of the relevant contract foreseen under activity 3

Activity 3: Construction/rehabilitation and equipping of two livestock demonstration centres (works contract)

The works regard the construction of an animal barn at the ATTC of Fushe-Kruja (to host 20-50 cattle) and rehabilitation of the barn and other structures at ATTC of Korca (to host up to 250 small ruminants) including equipment and machinery closely related to the production process with regard to feeding, milking, storage of milk, water supply, storage of feed, removal of waste.

Activity 4: Provision of auxiliary equipment (supply contract)

The contract will be financed under national contribution. It will include all the necessary equipment, machines, live animals, IT hardware for the public extension centres of Fushe-Kruja and Korca and possibly for livestock associations.

## **5. Project visibility activity**

The project's visibility activities will include conferences, meetings, and promotional materials according EU visibility requirements