

IPA National Programme 2008 Part II – Bosnia and Herzegovina

Fiche 10: Capacity building in agriculture and food safety policy and preparations for BiH's access to IPA Rural Development (IPA-RD) programme

1. Basic information

1.1. CRIS Number: 2008/20-339

1.2. Title: Capacity building in agriculture and food safety policy and preparations for BiH's access to IPA Rural Development (IPA-RD) programme

1.3. ELARG Statistical code: 03.11 European standards/Agriculture and rural development and 03.12 European standards/ Food safety, veterinary and phytosanitary policy

1.4. Location: Bosnia and Herzegovina

Implementing arrangements:

1.5. Contracting Authority: European Commission

1.6. Implementing Agency: European Commission

1.7. Beneficiary: State and Entity governance structures in agriculture, and rural development sector and in the food safety, veterinary and phytosanitary sector

Financing:

1.8. Overall cost (VAT excluded): EUR 4,807,677

1.9. EU contribution: EUR 4,000,000

1.10 Final date for contracting: Two years following the date of the conclusion of the Financing Agreement

1.11 Final date for execution of contracts: Two years following the end date of contracting

1.12 Final date for disbursements: One year following the end date for the execution of contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective

Development of a sustainable, competitive and dynamic agriculture, forestry and food sector in B&H and its gradual alignment with the acquis institutional and regulatory requirements and standards

2.2 Project purpose

1. Harmonised sectoral policies and measures for enhanced performance of agri-food sector and creation of structures and capacity for managing the future IPA Rural Development funds.
2. National integrated phytosanitary services established which are capable to create and implement BiH plant health protection policy in line with acquis harmonised legislation and international obligations and standards in this area.
3. Enforced BiH legislation in food safety, composition and quality through provision of the equipment for food control laboratories.

2.3 Link with AP / NPAA / EP / SAA

The European Partnership sets out for BiH the following short term priorities:

To adopt the Law on Agriculture, Food and Rural Development and ensure an adequate legal framework for harmonised implementation of agricultural, food and rural development policies and to develop a comprehensive agricultural strategy at State level.

To strengthen administrative capacity at State level as regards agriculture, food and rural development in order to effectively coordinate implementation of market and rural development policies throughout the whole country and to work towards the establishment of a State level Ministry of Agriculture, Food and Rural Development .

To ensure adoption of legislation compliant with the European standards in the food safety, veterinary and phytosanitary sectors and to start with implementation.

To enhance laboratory and inspection capacity in the food safety, veterinary and phytosanitary sectors, establish reference laboratories and develop sampling procedures in compliance with EU requirements.

The aim of this project is consistent with the above defined priorities. It has also been recognised that BiH needs to initiate preparations for absorption of future IPA Rural Development component when the country obtains the status of EU candidate by strengthening its administrative structures for implementation of the national rural development programme. Similar strengthening and alignment with EU and international standards for composition and quality of agricultural and food products is fundamental to recovery of BiH competitiveness in domestic and international markets, achievement of benefits from EU and multi-lateral trade concessions and preferences and progressive alignment with market organisations and other aspects of the first Pillar of the Common Agricultural Policy (CAP).

2.4 Link with MIPD 2009-2011

Under the chapter 2.3.1.3 the MIPD envisages that following results will be achieved within the first IPA programming cycle:

- A country-wide agriculture and rural development strategy with clearly identified priority areas is adopted and implemented, with agriculture sector actively contributing to economic growth.
- Agricultural legislation is further approximated to the *acquis*.
- The administrative structures, responsible for the harmonised implementation of agricultural policy and rural development measures are established and become operational.
- Structures, strategies and programmes for agriculture and rural development in line with the requirements for implementing EU pre- accession assistance are planned.
- Support for agricultural census, farm register, land cadastre, agricultural statistics, and advisory and extension services as well as access to credits for farmers is provided.
- Quality and safety of domestic products is improved. Agriculture information systems are improved and provide collection and processing of agriculture data.
- Rural households and communities are strengthened and benefit from enhanced policies and measures resulting in increased prosperity.

2.5 Link with National Development Plan

The BiH Mid-Term Development Strategy (2004) highlights the importance of strengthening institutions, which are responsible for managing and coordinating the sector. It also emphasises the needs to improve support and effectiveness of the sector, monitoring existing subsidies and their redirection in line with agriculture and rural development priorities. In response, both Entity administrations have developed agriculture sector strategies that outline plans to improve sector policy support. At state level, a draft Harmonisation Strategic Plan for agriculture, food and rural development has been prepared and a draft Operational programme for 2008-2010 as a strategic framework for the preparation of the sector for gradual integration with the EU and fulfilment of obligations under the initialled SAA.

2.6 Link With National/ Sectoral Investment Plans

In both Entities and District Brcko increased funding has been pledged by the respective administrations for 2008 and beyond in support of agriculture and rural development. For subsidies in 2008 has planned about 137 665 000 KM in total (RS 80 000 000KM, FBIH 52 650 000 KM and in BD 5 015 000 KM) and in accordance with their competence, cantons will participate with additional amount of 15 000 000 KM.) The increased resources can only be effective if there is a parallel development of effective and well targeted policies, supported by objective analysis and payment administration that is capable of managing the increased funds in line with EU standards.

The World Bank is planning to provide funding for the establishment of IPA-RD compliant payment system infrastructure at MoFTER and the Entities levels along with additional 6 MEUR to be disbursed in grant funding between the Entities in support of rural development measures. Although this grant allocation is likely to be made available already in 2009, the attention should be paid to ensure synergies between the programmes to allow for a practical demonstration of structures that will be created with support of IPA 2008 project. Additionally, the World Bank is providing assistance to strengthening of the BiH

Phytosanitary and Food Safety Agencies in the amount of approximately 400,000EUR for each administration. The envisaged EC technical assistance will be fully complementary with the World Bank's loan by providing the institutional and capacity building foundations for creation of *acquis* compliant structures to regulate and control food safety, hygiene, composition and quality.

3. Description of Project

3.1 Background and justification

BiH is in the process of establishing an effective administration that will drive the European integration process and the necessary institutional, legal and policy changes forward in an effective and sustained manner. Experience in other applicant countries demonstrates that the EU integration process imposes particularly heavy burdens on agricultural administration, which are often the least well-equipped parts of the public service to cope with increased responsibilities in terms of transposition and implementation of substantial *acquis* structures and standards.

In BiH this is no exception. The institutional weaknesses of the State and Entity Ministries responsible for Agriculture sector remain substantial. There is currently only 15 staff involved in State level policy and administrative activities with responsibility for all the work concerned with EU approximation and harmonisation of systems and services. It is unrealistic to believe that MoFTER or the Entities can cope with their EU integration responsibilities in support of the sector with their present staffing levels or technical capacity. More and better skilled staffs are urgently required in order for MoFTER and the Entity Ministries of Agriculture to carry out their responsibilities related to EU integration and respond to the rapidly changing agri-food competitive environment caused by the trade liberalisation. MoFTER and the Entity Ministries of Agriculture also need to be encouraged to galvanise the more direct support and involvement of the private sector in the reform process, as the main stakeholders and potential beneficiaries of greater integration. Industry involvement is also limited in the absence of effective government policies and measures supporting increased industry competitiveness and profitability in domestic and export markets. Experience with recent Accessions shows that early adoption and enforcement of EU-compatible quality and compositional standards is a basic requirement, not only for increasing profitability but also as the first step for alignment with other Common Market Organisation mechanisms such as import/export licensing, public intervention, aids for private storage, registration of protected names, etc. In addition, within the overall preparations for decentralised management of EU funds, BiH needs to design and reinforce its operating structures required for an uptake of IPA rural development component. This will require substantial work on the payment model(s) that best fit into specific BiH administrative set up as well as reinforcement at lower level to adapt the harmonised principles of internal control, budgeting and financial management of existing support programmes and the World Bank's loan in a manner to ensure compliance with structures required for the future management of IPA Rural Development component.

Agriculture policy and approximation to IPA RD compliant structures

The State level Law on Agriculture, Food and Rural Development (AFRD) was adopted in May 2008. It provides for enhancements on a number of issues, such as: clarification of competencies at all BiH administrative levels; creation of the strategic framework for the harmonised agri-food and rural development policy and development of new structures that will be required for *acquis* approximation. It also defines the main objectives of BiH rural development which are in line with EU policy objectives and IPA Rural Development

guidelines and which will facilitate the gradual alignment of the national support measures with those of EU in the long term perspective. Draft BiH Strategic Plan for Harmonization of Agriculture, Food and Rural Development (AFRD) and Operational Programme have been recently finalised and their adoption by CoM is also expected in 2008. This document provides the framework for gradual harmonization of policies, programmes, institutions, laws and other regulations, systems and services both within BiH and with the EU. It is also intended to provide a platform for introduction of pre-IPA-RD actions to be undertaken already in 2008 and the foundations to be in place for receipt of EU rural development funds by 2010.

Further, the **AFRD Harmonisation Strategic Plan** provides a framework within which essential public sector reforms can be introduced to strengthen agencies responsible for food safety, veterinary and phytosanitary policies and standards and also accelerate the legislative and institutional reforms for a gradual compliance with EU and other international sanitary, compositional, quality and trading standards. The draft **B&H AFRD State Level Operational Programme** provides a detailed action plan for the implementation of the strategic framework at the entities and District Brcko level.

Notwithstanding the progress made within the framework of the previous EC assistance in creating the foundations in the fields of strategic planning, farm and client registries, payment systems, rural development and agriculture information system, the **fundamental weaknesses** remain to be overcome in respect to the institutional and human resource capacities required for managing and meeting the obligations under the future SAA, WTO, CEFTA and other international agreements and conventions, as well as to work towards creation of structures required for access to the future IPA Rural Development component. Sector weaknesses include:

- Limited coordination and strategic planning capacity at all administrative levels to deal with obligations under the free trade agreements by integrating the same into the national legal and policy framework;
- Absence of EU sector specific legal approximation strategy including implementation timetables and investment needs;
- No structure and insufficient staffing to deal with Information and Communication Technology (ICT), Human Resource Management (HRM) and financial management (including internal audit) at any level;
- No sustained commitment to institutional reform and restructuring of sectoral governance structures¹;
- Weak intra-and-inter-ministerial coordination at all levels, leading to polarised policy decision-making process, particularly in the areas of cross-competency (e.g. food safety policy, trade standards, rural development etc);
- No agricultural information system has been developed to coordinate collection, collation and dissemination of statistics and other sector information on farm performance and competitiveness to guide the formulation of policy and information services;
- Limited coordination of donors' assistance with weak project programming capacities in place;

Some progress has been made in this field with completion of the Functional Analysis of the Sector in 2004 and an update provided by SESMARD project in 2007. It is expected that the first stages of functional reform at state level will be in place by the project start.

- No transparent systems and procedures for payments, traceability or accountability of sector subsidies or other support payments at all levels.
- No awareness or planning of administrative structures for access to IPA Rural Development component and Integrated Administrative Control System (IACS) at later stage;
- No capacity to control the quality and composition of domestic and imported food and enforce international standards and practices.

Phytosanitary and food safety policy

BiH has relatively recently established the State-level competencies in the areas of food safety and phytosanitary control by adoption of relevant legislation and establishment of the specialised Agencies. While some progress has been made in the field of food safety with rapid recruitment of 18 key personnel within the Food Safety Agency (FSA), there is a significant delay in making operational the Plant Health Agency (PHA), which is expected to fill in nine vacancies in coming months and bring the staffing to 12/ 31 available post. At international level, BiH is the signatory of International Plant Protection Convention (since 2003) and the Food Safety Agency is the BiH contact point of Codex Alimentarius Commission. At legislative level, although a number of important BiH Laws have been adopted in both sub-sectors², the implementation of legislation in all aspects of food safety chain is at very early stages for the following reasons:

- absence of secondary legislation aligned with current EU laws on food hygiene and safety; composition; and quality
- unclear chain of command
- poor enforcement and control capacities, including government and other laboratory facilities needed for adequate levels of food and phytosanitary control
- urgent need for establishment of a list of the national testing and reference laboratories and development of investment plan for laboratories upgrade to meet the international accreditation standards and perform essential regulatory checks of quality and composition. By-law which would create preconditions for authorisation of the above mentioned laboratories is under preparation.

Equipment needs

The implementation of the above mentioned Laws is hampered by the poorly equipped laboratories currently performing the analysis in veterinary, phytosanitary and food safety control. While some progress is made in the veterinary sector by provision of diagnostics equipment and staff training towards compliance with accreditation requirements³, there is an urgent need for equipping the laboratories involved in official food control to undertake the necessary chemical analysis and microbiological examination on food and animal feeds (metallic contaminants, mycotoxines, pesticide and veterinary and phytopharmaceutical residues).

In view that the quality of data obtained from the chemical analysis or microbiological examination of food or animal feed samples is highly dependent upon the quality of samples submitted to the laboratory and on the quality of management procedures in place, a prior

The Law on Food (BH OG 50/04); Law on plant health protection (OG BH 23/03; Law on mineral fertilisers and Law on new plant variety protection (OG BH 46/04); Law on phytopharmaceutical products (OG BH 49/04) and Law on seed and propagating material (OG BH 03/05)

Through the PHARE assistance the veterinary laboratories were supplied with diagnostics equipment while the training towards accreditation is ongoing with assistance and EC Twinning project.

capacity building of inspectors and the staff of selected laboratories will be undertaken within the upcoming IPA 2007 technical assistance "Support to implementation and enforcement of BiH Food safety legislation". In the phytosanitary area, this process will commence with the proposed IPA 2008 project, which will also support development of detailed laboratory investment plan. Nevertheless, in both sub-sectors, a prior decision should be made by the relevant BiH authorities on the number of designated authorised and reference laboratories for specific type of analysis. Only such selected laboratories will be entitled for the EC assistance from IPA funds.

The proposed IPA 2008 project is designed to address the needs across all the above sub-sectors in a cohesive and coordinated manner by providing assistance to MoFTER, competent State-level Agencies and the Entity MAFWM's (and, where possible, the private sector) in establishing and further developing specific components of the EU approximation process in (i) agricultural policy, (ii) structures for improved access to the future IPA assistance and (iii) BiH meeting the food safety composition and quality standards for increased competitiveness of its agri-food products on local and international market and enhanced consumer protection.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The implementation of this project is expected to impact positively upon:

- Capacity of administration to apply impact assessment methods (i.e. economic and financial cost benefit analysis) to improve the sector policy and allow for a gradual alignment with the *acquis* and international trade agreements and conventions;
- Creation of necessary structures in the agri-food sector for approximation towards *acquis*, including intensified preparations and awareness on requirements for access to IPA Rural Development component;
- The project is also aimed at streamlining existing and future financial support to the sector which is expected to increase through creation of structures, mechanisms and procedures that will be required by the *acquis* and in particular by IPA regulations and will be associated with improved design, monitoring and transparency of financial systems and accountability for use of funds in support of the sector.
- In the medium term these improvements, particularly adoption of EU-compatible quality and compositional standards, will result in improved performance and competitiveness of BiH agri-food sector.
- The availability of relevant and up to date information and other services in support of key stakeholders (Ministries, statistics, inspections, international players, business sector, farmers, consumers, etc);
- Improved staff motivation by promoting career development, performance assessment and use of other modern HR management tools;
- Improved food control system will contribute to better protection of consumers health and will positively impact on trade of BiH agri- food products;
- Improved access of the final beneficiaries to the sector subsidies and other support initiatives;

3.3 Results and measurable indicators:

The project is expected to achieve the following results:

I. Results related to the Project purpose

R1: Administrative capacities for coordination and harmonization of agriculture and rural development polices improved

Indicators:

- Training programmes conducted for all employees dealing with writing and analysing documents related pre-accession requirements including CAP, CMO and WTO;
- Draft of project proposal for harmonised mechanism for market intervention in B&H (in accordance with the CMO system);
- Analytical capacities strengthened, on all administratives level;
- B&H Rural development strategy draft prepared;
- Sector acquis approximation strategy and priority workplan prepared and agreed with determinated institutions and financing requirements;
- Priority legislation being drafted using recognised EU legal approximation tools including gap analysis and tables of correspondence;
- Detailed case study prepared for adoption and enforcement of EU-compatible quality measures including institutional plans, legal requirements, financial and economic projections(including, where possible private sector participation).

R2: Management and control systems for pre-accession assistance in agriculture and RD established

Indicators:

- Assessment of IPA RD priority requirements performed and agreed;
- Staff employed and trained for implementation of IPA RD measures;
- ICT strategy developed, equipment procurement plan prepared and systems upgraded with IPA RD requirements;
- Range of information services established including Ministrys websites;
- Model of IPA RD compliant payment system developed and agreed with relevant stakeholders;
- Multi-annual budget capacity and plans and internal audit capacity established for the sector at entity, BD and state level;

- Restructured, harmonised and coordinated application and payment procedures, in line with EU practices at State, Entity and BD level in place and operational.

R3: Human resource and organisational development at all levels strengthened

Indicators:

- Institutional schemes (organigramme) revised according to IPA RD priority requirements including needs assessments;
- HRM procedural manuals and performance appraisals in use according to international practices;
- Scholarship and staff exchange programmes designed and implemented in cooperation with other donors.

R4: Public awareness program in support for pre-accession assistance to agriculture and RD prepared and implemented

Indicators:

- Public Relations capacity established at state, entity and BD level including organisation of major public awareness events;
- Civil society organisations, local action groups, agricultural producers and other stakeholders engage in dialogue on pre-accession assistance with state, entity and BD levels.

II. Results related to the Project purpose No.2

R5: Demonstrated capacity of BiH Plant Health Agency to coordinate preparation and implementation of the national programmes based on the acquis harmonised legislation and basic risk analysis capacities.

Indicators:

- Revision of sectoral legislation including acquis gap analysis and draft implementing legislation and guidance documents for plant health, plant protection products and pesticides residues, seeds, propagation material and plant variety protection
- Chain of command and responsibilities in the sector clarified and revised according to the requirements of risk assessment based plant health protection and system for certification of seeds and propagation material;
- Guidance documents prepared for implementation of priority plant health protection measures based on application of risk analysis techniques;
- Implementing rules defined for carrying out test for variety listing, control and certification of seeds and propagating material including preparation of guidelines for sampling procedures;
- Preparations for conducting the plant health surveys advanced;
- Training on residues, setting MRL's and drafting the annual monitoring programmes of residues control (Regulation (EC) No 396/2005).

R6: Enhanced performance of inspection services for conducting control of harmful organisms, seeds and pesticides on internal market and in international trade.

Indicators:

- Assessment and recommendations for improved functioning of existing inspection services performing phytosanitary control at all levels;
- Assessment of equipment needs;
- TNA for inspectors; Training of evaluators of plant protection products in risk assessment; Instruction manuals prepared for the sampling; Revised procedures for checking and issuing of phytosanitary certificates; Training on sampling and control on the market and use of plant protection products;

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R7: National programme for an upgrade of phytosanitary laboratories prepared.

Indicators:

- Agreed plan for the national reference phytosanitary laboratories for testing of seeds, harmful organisms and pesticides;
- Defined infrastructure, equipment and training needs for the national reference laboratories including detailed investment plan;
- Training of laboratory staff in diagnostics of harmful organisms, seed controls, pesticide analysis of crop protection and other plant treatment residues; Training of laboratories towards obtaining accreditation according to ISO 17025 and for seed laboratory/ies ISTA standards.

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R8: Exchange of information between the competent authorities on harmful organisms, seeds and pesticides improved including creation of register of operators and data base of granted authorisations;

Indicators:

- Register of operators created; Established data base of the authorisations granted.
- Staff training on use of internet sources Rapid Alert System, communication with relevant EU and international bodies;

R9: Implementation of selected priority phytosanitary programme initiated through demonstrated pilot activities.

Indicators:

- Priority list of phytosanitary measures established with detailed action plan and resources for implementation. Pilot implementation of priority programme advanced.

III. Results related to the Project purpose No. 3⁴

R10: Authorised laboratories perform more specific analysis based on internationally recognised methods and procedures for sanitary, compositional and quality standards.

Indicators:

- Methods used by laboratories validated by use of certified reference materials
- Estimates made of numbers and frequencies of sample analyses needed to comply with EU quality and compositional rules applying to commodities and their products

R11: Equipment delivered according to the agreed BiH national laboratory plan;

- Good laboratory practices developed and applied and selected laboratories progressing towards obtaining the accreditation.
- Indicators:
- Selected laboratories progressing towards accreditation
- Results are expanded to incorporate expected synergy between equipment supply and capacity building of laboratories staff to be effected through upcoming IPA 2007 assistance and co-finance from WB loan.

3.4 Activities:

The component tasks are outlined as follows:

Activities related to accomplishment of results no. 1-4 (corresponding to project purpose No.1-

Agri-policy and IPARD compliant structures sub-project):

1.1. Support to administrative capacities for Strategic Planning and Policy Harmonisation (Contributing to Result no.1)

Support to Strategic Planning of Agriculture and Rural Development Policy Analysis Group: MoFTER, Entities and BD will be required to agree to the establishment of such a group that will be mandated with following tasks:

- *Training:* Both on-the job training and formal courses of policy analysis to develop the capacity to perform basic policy analysis; capacity to undertake economic and financial cost-benefit analysis; capacity to assess support programmes including WTO compliant Green Box Measures and to manage analysis related to future pre-accession instruments and risk impact assessment of policy change.
- *Policy studies:* A number of sectors and issues will be analysed to provide focus to the policy analysis activities. The reports produced should be both analytical and educational so that key officials in MoFTER and the Entities can follow the logic of the analysis and understand better the role of markets in efficient resource use and the role of government in making markets work better.
- *Sub-sector analysis documents:* The project will support the policy analysts to develop a number of priority sub-sector policy documents which analyse the trends, the SWOT's and provide rationale for piloting of measures (linked to EU policies and adaptation of existing measures to CMO's).
- *Preparation of legal approximation strategy* in the agriculture sector including priority action plan and institutional and investment needs for transposition of the acquis in medium term; Assessments will be made of industry and state investment and regulatory capacities for regulating EU-compatible quality and compositional standards applying to other commodities of economic and social importance in BiH (*Development of tools* for legal approximation including gap analysis and tables of correspondence (ToCs));
- *Legal Drafting and Enhancement of Legal Drafting Capacity:* On the basis of the priorities and plans agreed the project will support relevant working groups in drafting selected priority legislation according to EC standards. At least two case studies will be prepared demonstrating institutional and technical requirements resulting from the legal approximation;
- *Preparation of draft of B&H Rural development Strategy:* On the basis of previously elaborated documents such as the above-mentioned policy studies, sub-sector analysis documents and legal approximation strategyetc.

1.2. Support to IPA Rural Development management, control and information services (Contributing to Results no. 2 and 4)

Support will be provided to creation of IPA RD coordination body which will be mandated with establishment of priority action plan for creation of necessary IPA RD structures. This activity will be implemented in close cooperation with development of overall DIS management structure. The envisaged tasks include:

- *ICT management systems and services design:* It is intended that MoFTER will establish an ICT coordination capacity. This capacity will oversee procurement and installation of basic integrated ICT systems at state and entity level. The project will assist this capacity in the following areas:

- Development of integrated ICT solutions which ensure that any new procurement plans for ICT in any department are coordinated and compatible.
- Development of procedural measures to guide ICT equipment users, data storage and security etc.
- Coordinate design of new systems where appropriate.

- *Ministries' Websites:* The project will:

- Review the existing website structures, government rules and procedures for their development and MoFTER / Entity Ministry/BD/Office for Harmonisation and Coordination of Payment Systems (OHCPS) and ideas.
- Guide the upgrade of the site and web-based services including capacity for its regular updating and maintenance.

- *Public Relations Services:* The project will assist in:

- Establishing basic public relations capacity at state and entity level.
- Support the organising of public awareness events at state and entity level.
- Develop public relations protocols and procedural manuals;
- Provide training to appointed PR staff on PR practices and procedures.

Support to the finance, control and audit systems will be provided in the following aspects:

- Multi-annual budgetary planning and reporting;
- Support the creation of an internal audit unit, and train its staff accordingly including definition of internal financial controls throughout the Ministries (not just in the finance department);

Payment systems harmonisation: The project will:

- Develop a model for the future development of an EU compliant payment system and support its acceptance by all key stakeholder institutions at all levels of administration in B&H;
- Assist in establishing uniform practices and procedures (including information technology systems) for the authorization, execution and accounting for payments in the sector of agriculture, food and rural development, to be applied at all levels of administration in B&H;
- Assist in introducing a system for unified coding of measures at state level and gradual integration with the EU nomenclature;
- Promote harmonized application of the payment procedures and claims at all levels, to be broadly in accordance with EU rules and regulations.

- Develop and delivery of training programs for staff at all administration levels to ensure the uniform application of procedures and implementation of measures.

1.3. Support to enhanced human resources management services

- Perform functional analysis of human resources and professional skills at state, entity and BD level;
- Establish continuous professional development programs for staff at state, entity and BD level linked to specific training programs;
- Develop and deliver training programs in cooperation with other donors (scholarship and internship programmes) for selected staff at state and entities & District Brcko levels.

1.4 Preparation of a procurement package and tendering process for up to EUR 100,000 of ICT equipment.

Activities related to achievement of results no.5-8 (corresponding to project purpose No 2 - phytosanitary sub-project)

2.1. Support to strengthening capacity of PHA

(Contributing to Result no.5)

The aim of this component will be to assist the **State-level Plant Health Agency (PHA)** to create and implement BiH plant health policy based on existing legislation and international obligations in this area. The activities in this area will include:

- Creation of mechanism for cooperation and development of framework policy to be implemented at lower levels;
- Prepare and coordinate implementation of relevant legislation;
- Perform and coordinate risk assessment measures to prevent spreading of harmful organisms and ensure functioning of system for certification of seeds and propagating materials;
- Provide guidance manuals for sampling and testing;
- Public information dissemination and communication with stakeholders involved in production and handling with plants and plant products;
- International cooperation and coordination with other State level Agencies involved in establishment of the national food control system in BiH (i.e. State Veterinary Office and Food Safety Agency).

2.2. Support to phytosanitary inspections to introduce surveillance and to take samples based on defined procedures and sampling techniques. ***(Contributing to Result no.6)***

The activities in this area include:

- Assessment of existing inspection competencies in the phytosanitary area including proposal for a possible restructuring. Working group will be formed comprised of the relevant inspection services. Equipment needs will also be assessed within this task.
- Training needs assessment will be performed based on gap analysis between existing and required competencies of inspectors performing the phytosanitary control.

2.3. Support to the plant health and seed testing laboratories to upgrade standards and perform pest risk analysis in accordance with international phytosanitary standards (**Contributing to Result no.7**).

The envisaged activities include:

- Preparation of the national laboratory plan ready for adoption by the BiH competent authorities for equipment supply from subsequent IPA assistance. Working group should be formed to guide implementation of this activity.
- Provision of training based on earlier defined Training needs assessment with an aim to assist the laboratories to qualify for accreditation.

2.4. Support to the operators to apply and promote use of plant health prevention and protection measures in production, processing and distribution (**Contributing to Result no.8**).

The activities include:

- Training on good hygiene practices (GHP) as well as support to compliance with relevant standards will be provided to improve safety and quality of plant products.
- Design and support creation of information system, including development of data base of operators in the sector. This activity will be closely implemented with below mentioned World Bank assistance and will aim at providing the technical expertise and training in making the system functional.
- *Development of Plant Health Agency Database Software and related technical assistance* - this activity will be financed from the World Bank "Agriculture and Rural Development Project". The activities will run in parallel with IPA 2008 Project (co-financing).

2.5. Assistance in implementation of selected priority phytosanitary programme of measures will be initiated through the demonstrated pilot activities. (**Contributing to Result no.9**)

State Plant Health Administration shall prescribe an annual systematic survey programme for the confirmation of the absence or presence of the organism, based on sound scientific and statistical principles and the biology of the organism. This survey shall be carried out by the phytosanitary inspection services of the entities and the Brcko District.

Activities include:

- Performance of minimum one pilot activity as demonstration case.

Activities related to results no. 10-11 (corresponding to project purpose no.3 -(Supply of equipment for the food control)

3.1. Procurement of the laboratory equipment for the specialised national testing and reference laboratories to perform chemical analysis and microbiological examination.

This activity should closely link with the training of laboratory staff on management practices and other procedures required for obtaining the accreditation, which will be provided from IPA 2007 technical assistance. The delivery of equipment for the required important four analyses – each with its specific lot of equipment – is expected to enhance the capacities of food safety laboratories to perform analysis requested by acquis approximated legislation and in line with international standards.

The detailed list of equipment that will be procured is provided in Annex IV to this document and will be used for the following analysis:

- Analysis of food and animal feeds for the presence of organ chlorine and organ phosphorus pesticide residues.

- Analysis of food and animal feeds for the presence of metallic contaminants
- Analysis of food and animal feeds for mycotoxins.
- Analysis of food for veterinary drug residues.

Prior to the equipment procurement, a detailed inventory assessment of existing laboratories will be performed in order to identify those laboratories that will be willing to proceed towards the accreditation according to ISO 17025 standards. This inventory will include assessments of laboratory's capabilities and capacities to perform analyses and tests required to enforce BiH laws on hygiene, safety, disease and pest control, additives, contaminants, presence of GMO's etc. Such assessment will be performed within the related IPA 2007 technical assistance and will serve as recommendations for the BiH authorities in their preparation of the relevant bylaw on BiH designated reference laboratories for food testing. As such, determination of the laboratories that would receive the equipment from the EC assistance will be based upon the following minimum criteria:

- a. To actively work towards accreditation of their laboratory to ISO 17025, with that accreditation being provided by an internationally recognized accreditation body. The laboratory's scope of accreditation sought must include methods applicable to the equipment provided.
- b. Methods used in the laboratory must, wherever possible be based on EN ISO / ISO methods or other internationally recognized methods, such as those published by AOAC (Association of Official Analytical Chemists).
- c. Methods used by the laboratory must be validated by the use of certified reference materials, wherever possible.
- d. The laboratory receiving the equipment must participate in relevant proficiency testing schemes, wherever these are available.
- e. Ownership status: Only laboratories which can demonstrate public ownership will be considered for equipment supply.

Detailed list of equipment and its delivery sites will be prepared within the following IPA 2007 project which is due to start by the end of 2008 and will be based upon the BiH decision on reference laboratories that needs to be prepared in the meantime.

The complementing finance to this activity will be provided from related World Bank's "Agriculture and Rural Development Project" within the activity related to *Food sampling and laboratory testing in aim of risk assessment*. This activity is related to supply of miscellaneous equipment to support sample collection, transportation, storage and cost of analysis (such as kits and other laboratory processing material) including the program with the entity and cantonal Inspectorates to collect food samples and to perform laboratory testing. The activities will run in parallel with IPA 2008 Project (co-financing).

3.5 Conditionality and Sequencing:

The above components outline a range of capacity building initiatives for institutional, legal, policy and enforcement developments, which combined will form the essential foundations to guide the gradual harmonisation and integration of the B&H agriculture, food and rural sector with the EU. The basic conditions required to ensure project effectiveness include:

- Adoption of the revised rulebook for the MoFTER Sector for Agriculture, Food, Forestry and Rural Development and staff recruited from current 15 to 23 posts;
- The framework provided by the B&H Law on Agriculture, Food and Rural Development, the draft B&H Harmonisation Strategic Plan for Agricultural, Food and Rural Development and the State level Operational Plan have been approved and their

implementation is progressing satisfactorily;

- Discussions an established legal framework for the development of harmonised Payment Systems are advanced;
- Relevant Ministries dedicate sufficient staff and other resources required for support of the project.
- Plant Health Agency completed recruitment of 9 posts according to the rulebook by the project start;
- Official designation of the national reference laboratories for food control completed;

3.6 Linked activities

There is a range of projects/programmes that may be associated with this initiative and that would benefit from the strategic planning, coordination and institutional support developed through the project including:

EC assistance

The ongoing EU support for Establishment of State ministry of Agriculture and Rural Development (SESMARD) project which will provide the institutional and legal framework for implementation of this and other projects related to establishment and strengthening of the capacities for agriculture policy formulation and future access to IPA Rural Development funds.

EU support for improvement of collection, collation and analysis of agriculture information at local, regional and national level. “The Strengthening and harmonization of the B&H Agriculture and rural sectors information system” project., which will have an envisaged budget of EUR1.5 million That project is expected to provide key reliable data and information on farm census, farm production data, cropping and livestock data and will be an important source of updated information related to the farm sector. The establishment of a farm performance monitoring system will be an important output that will feed into this project.

The Planned Support to “Strengthening of B&H Rural Development Programming Capacities” later part of 2008 and run for 2 years. This will have an envisaged budget of approximately EUR1million. This project will build upon the outcomes of the SESMARD project and also have piloted a number of measures in rural development that will support the institutional harmonization process. In addition it is expected to have developed mechanism and structures for engagement of the communities and local administrations in the rural development planning process.

A planned project in support of strengthening the food legislation, TA to support the capacity of the food safety agency and support registration of food and feed business operators. This will have a budget of EUR1.0 million.

Other donors assistance

The most important project that will be implemented in parallel and complementary to the envisaged IPA 2008 assistance will be the World Bank Agriculture and Rural Development project (US \$21 million to be implemented over the 4.5 years, commencing in early 2008).

Assistance from other donors includes support from SIDA, UN International Fund for Agriculture Development (IFAD), USAID, Germany, Spain, Italy, Switzerland, Canada, Japan, Norway, Austria, FAO and UNDP. The assistance will largely focus on support to the rural development by provision of financial services, support to the local level participation, market linking infrastructure and other actions that will lead to improved income generation and living conditions in rural areas.

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The envisaged IPA 2008 assistance is aimed to improve efficiency and sustainability of other donors' interventions by focusing on policy mechanisms and institutional structures that would lead to improved capacities of the government institutions to galvanise the international support into the national strategic priorities and to create necessary co-financing mechanisms for timely BiH access to IPA RD.

3.7 Lessons learned

In view of delayed implementation of IPA 2007 programme, current experience is limited in implementation of the assistance which main driving force would be approximation to the acquis and IPA RD structures. Nevertheless, the lessons learnt from limited CARDS and other donors assistance in this sector in BiH, as well as the experience gained in the region in implementation of pre-accession programmes in rural development (primarily SAPARD) in both transitional and accession countries have been the slow rate of initial programme uptake for a number of reasons, amongst which, the main reason would be extremely limited human resources within the administration managing such a complex projects. This problem would partially be addressed though the recruitment of new staff at State and entity level (18 in total) within the complementing World Bank's project that should also be made available for an uptake of the EC assistance. Additional recruitment of competent staff will be necessary from the government budgets according to the recently revised rule books of agricultural administration at State and entities level.

Similar to above, more recent lessons learnt pertaining to the project's components in the fields of food safety and phytosanitary are not available, due to delayed start of IPA 2007. However, experience from the current twinning assistance indicates that enhanced horizontal and vertical cooperation within the food control chain would be necessary to align the capacities of three State level administrations responsible for food safety, veterinary and phytosanitary and to support enforcement of new acquis aligned legislation.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Activity 1	x	X	2.911.000	2.500.000	85,88	411.000	14,12			411.000		
Contract 1.: Technical assistance Support to agricultural policy and IPA RD compliant structures	X	-	2.400.00	2.400.000	100							-
Contract 2.: Supply of IT equipment	-	X	100.000	100.000	100							-
Payment system upgrade and supervision	X	-	411.000			411.000	100			411.000		
Activity 2	X		800.000	800.000	100							
Contract 3.: Technical assistance for support to BIH plant health administration	X		800.000	800.000	100							-
Activity 3		x	191.201			191.201	100			191.201		
APH database	-	x	191.201			191.201	100			191.201		
Activity 4		X	905.476	700.000	77,31	205.476	22,69			205.476		
Contract 4.:Supply of laboratory equipment for food control	-	x	700.000	700.000	100							
Food risk sampling and laboratory testing	-	x	205.476			205.476	100			205.476		
TOTAL IB			3.611.000	3.200.000	88,62	411.000	11,38					
TOTAL INV			1.196.677	800.000	66,85	396.677	33,15					
TOTAL PROJECT			4. 807,677	4.000.000	83,20	807,677	16,80			807.677		

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))

*** Private sector contribution expected but not included in overall budget amount

5. Indicative Implementation Schedule (periods broken down per quarter)

The project is intended to provide for further support to the ongoing process in preparation for IPA-RD funding and to do this by initiating interventions that are in accordance with measures under the IPA-RD mechanism. The project will likely commence in 2009 as part of the 2008-09 budget allocation. The project duration is envisaged for up to three years, with the introduction of its grants element being introduced towards the end of year 1

Contracts	Start of Tendering	Signature of Contract	Project Completion
Contract 1. Technical assistance:	Q1 2012	Q3 2012	Q2 2014
Contract 2. IT supply	Q1 2012	Q3 2012	Q2 2014
Contract 3. Technical assistance:	Q1 2009	Q3 2009	Q1 2011
Contract 4. Supply	Q1 2009	Q2 2009	Q1 2010

6. Cross cutting issues

The project will support, as part of the capacity building of relevant Ministries on Rural development programming, appropriate actions to ensure gender mainstreaming through the implementation of regional and national rural development plans and for tackling other cross-cutting issues including refugee return and resettlement, minority integration and environmental protection.

ANNEXES:

ANNEX I	Logical framework matrix in standard format
ANNEX II	Amounts (in EUR) Contracted and disbursed by quarter for the project
ANNEX III	Breakdown of sub-activities to be co-financed from the World Bank loan
ANNEX IV	Other donors' assistance
ANNEX V	Detailed list of the food safety laboratories equipment
ANNEX VI	Plant health component - List of activities to be co-financed from the World Bank's loan
ANNEX VII	Planned detailed list for IT equipment (Contract 1.2 IT supply)

ANNEX 1: Logical Framework Matrix in Standard Format

LOGFRAME PLANNING MATRIX for Project Fiche Project: Capacity building in agriculture and food safety policy and preparations for BiH's access to IPA Rural Development (IPA-RD) programme		Programme name and number	
Implementing Agency: Ministry of Foreign Trade and Economic Relations (MoFTER), Plant Health Administration and Food safety Agency		Contracting period expires: N+2	Disbursement period expires: N+5
		Total budget: 4.807,677 EUR	IPA budget: 4,000,000 EUR
Overall objectives	Objectively verifiable indicators	Sources of Verification	Assumptions
Development of a sustainable, competitive and dynamic agriculture, forestry and food sector in B&H and its gradual alignment with the acquis institutional and regulatory requirements and standards.	<p>1.1. Institutional capacity within the sector management bodies expanded and aligned with EU IPA RD requirements at state and entity level and comply with accreditation requirements by 2011;</p> <p>1.2. Legal and regulatory framework expanded to include a range of EU compliant systems and services by 2011;</p> <p>1.3. Increase in sector incomes by 10% by 2011;</p> <p>1.4. Reduction in poverty in rural areas of B&H by 5% by 2011;</p> <p>1.5. Descending agri-food trade deficit in the period 2010-2015.</p> <p>1.6. Increase in productivity and value-added production and processing in the agri-food sector by 5% by 2011.</p> <p>1.7. Decrease of food contamination cases at national level.</p>	<p>1.1. Laws and regulations governing new institutions; Rulebooks, CoM records; Entity and state parliamentary records; reports, audit reports, reports on accreditation process; EC country progress report;</p> <p>1.2. New draft laws; Official gazette records at state and entity level; Gap analysis and tables of correspondence with IPA RD regulations ;</p> <p>1.3. General statistics on labour and income; Farm & rural household monitoring statistics; Survey data; Agricultural census;</p> <p>1.4. National poverty assessment data; Farm and rural household monitoring statistics and survey data; Agricultural census data;</p> <p>1.5. State and entity official trade and production data; BiH trade statistics.</p> <p>1.6. Annual reports of FSA/ PHA; Annual Inspectorates reports.</p>	

Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
<p>1. Harmonised sectoral policies and measures for enhanced performance of the agri-food sector and creation of structures and capacity for managing the future IPA Rural Development funds.</p> <p>2. National integrated phytosanitary services established which are capable to create and implement BiH plant health protection policy in line with acquis harmonised legislation and international obligations and standards in this area.</p>	<p>1.1. Strategic planning and programming at state, entity and local level utilising IPA-RD practices and procedures by EoP;</p> <p>1.2. Policy analysis and selected support measures implemented based on comprehension of international agreements (WTO, CEFTA, SAA) and available agricultural information by EoP.</p> <p>1.3. Sector acquis approximation plan (including financial and institutional needs) defined by end M12;</p> <p>1.4. Human resources development model at state & entity level addressing PAR reform/acquis approximation and IPA-RD priorities by M12; human resources management capacities in place to address key priorities by EoP;</p> <p>1.5. Improved public awareness on sector reforms, support measures and benefits/requirements pertaining to the EU agenda in agriculture policy.</p> <p>1.6. Model for IPA RD payments developed and agreed with all key stakeholder institutions by M12; Financial, budget and payment systems strengthened and harmonised with IPA-RD requirements by EoP;</p> <p>2.1. Administrative structure responsible for implementation of BiH plant health policy at all levels defined and agreed by M10.</p> <p>2.2. Appropriate legislation (bylaws) fully adopted by CoM by EoP.</p> <p>2.3. Coordinated implementation of at least</p>	<p>1.1. Rural Development Strategy approval at state and entity level; Procedural manuals prepared and approved;</p> <p>1.2. Policy analysis papers and statistics; Monitoring reports and other relevant documents;</p> <p>1.3. Legal approximation plan for the sector; Procedural manuals; Legal approximation gap analysis results; Legal drafts of legislation in priority areas;</p> <p>1.4. Baseline and end of project skills audits; Gap analysis of HRM procedures at state and entity level;</p> <p>1.5. PR events and publication records;</p> <p>1.6. Financial analysis and planning records; Procedural manuals; System audits at state and entity level; Financial reports; Beneficiary applications and take-up rates for new schemes;</p> <p>2.1. Information of Official gazette</p> <p>2.2. Annual report prepared by PHA</p>	<p>1.1. Political will exists to support gradual harmonisation of state and entity level sector management capacity and coordination roles; Appropriate staff available at state and entity level to be trained and developed;</p> <p>1.2. Resources and capacity exists and can be made available at all levels to establish harmonised systems and procedures; SAFFRD unit within MoFTER staffed with 30 personnel.</p> <p>1.3 Adequate legal framework at state level. EU integration priorities for the sector are compatible with national priorities; Plans and procedures are compatible with overall national procedures;</p> <p>1.4. Institutions committed to transparent process of multi-annual budgeting system and harmonisation & standardisation;</p> <p>1.5. Partners responsible for payment services willing to adapt systems and procedures;</p> <p>2.1 PHA staffed with qualified staff according to the rule book.</p> <p>2.2. Political will to cooperate between the State and entities administration.</p>

<p>3. Enforced BiH food safety, compositional and quality legislation through provision of the equipment for food control laboratories.</p>	<p>one of phytosanitary measures initiated.</p> <p>3.1. Equipment delivered according to the agreed national laboratory plan for the BiH authorised testing and reference laboratories.</p>	<p>3.1 Equipment acceptance documents (PAC, FAC).</p>	<p>2.3. Budget available for implementation of measures.</p> <p>3.1. National laboratory plan agreed.</p>
Results	Objectively verifiable indicators ¹	Sources of Verification	Assumptions
<p>1. Administrative capacities for coordination and harmonisation of agriculture and rural development policies improved</p>	<p>1.1 Training programmes conducted for all employees dealing with writing and analysing documents related pre-accession requirements including CAP, CMO and WTO;</p> <p>1.2 Draft of project proposal for harmonised mechanism for market intervention in B&H (in accordance with the CMO system);</p> <p>1.3 Analytical capacities strengthened, on all administratives level;</p> <p>1.4 B&H Rural development strategy draft prepared;</p> <p>1.5 Sector acquis approximation strategy and priority workplan prepared and agreed with determinated institutions and financing requirements;</p> <p>1.6 Priority legislation being drafted using recognised EU legal approximation tools including gap analysis and tables of correspondence;</p> <p>1.7 Detailed case study prepared for adoption and enforcement of EU-compatible quality measures including institutional plans, legal requirements, financial and economic projections(including, where possible private sector participation).</p>	<p>1.1. Meeting minutes; Strategic planning documents; Official Gazettes at state and entity level;</p> <p>1.2. Project reports and Monitoring reports; Policy brief documents;</p> <p>1.3. Project Reports;</p> <p>1.4. Working groups meeting minutes; Draft legal documents;</p> <p>1.5. Legal approximation documents; Working group meeting reports; Official gazettes;</p> <p>1.6. Gap analysis tables; compliance tables; DEI reports; Project Reports;</p> <p>1.7 . Project Reports; Technical reports</p>	<p>1.1. Commitment to strategic planning process and greater transparency in policy formulation; Commitment to National Planning and programming process;</p> <p>1.2. Willingness to use policy analysis in policy formulation process; Staff in place and available to be trained; staff have sufficient capacity/ minimum skills base to benefit from training;</p> <p>1.3. Financial resources available and administrative systems established to manage the policy transition process;</p> <p>1.4. Willingness of governments to utilise new analytical services in the policy formulation process;</p>

¹ The target values are not specified yet, the related ToR will further specify the indicators.

<p>2. Management and control systems for pre-accession assistance in agriculture and Rural Development established</p>	<p>2.1 Assessment of IPA RD priority requirements performed and agreed;</p> <p>2.2 Staff employed and trained for implementation of IPA RD measures;</p> <p>2.3 ICT strategy developed, equipment procurement plan prepared and systems upgraded with IPA-RD requirements;</p> <p>2.4 Range of information services established including Ministrys websites;</p> <p>2.5 Model of IPA RD compliant payment system developed and agreed with relevant stakeholders;</p> <p>2.6 Multi-annual budget capacity and plans and internal audit capacity established for the sector at entity, BD and state level staff _____;</p> <p>2.7 Restructured, harmonised and coordinated application and payment procedures, in line with EU practices at State, Entity and BD level in place and operational.</p>	<p>2.1 Project reports; Technical reports ;</p> <p>2.2..Reports from the beneficiaries, Project reports; Monitoring reports;</p> <p>2.3. Reports on system and service audits; project reports; monitoring reports;</p> <p>2.4. Website audit;</p> <p>2.5.Application forms and procedures modifications; Operational manuals approvals; Systems audit (pre- and post operations);</p> <p>2.6 Entity budgets and general budget reports; Official publications; Project reports; Monitoring reports;</p> <p>2.7. Procedural manuals approvals; Systems audits; Working group meeting minutes;</p>	<p>2.1. Willingness of Ministries to adjust existing systems and practices;</p> <p>2.2. Systems can be integrated and procurement plans can be coordinated/ compatible at all levels.</p> <p>2.3. Legal basis for introduction of new procedures can be adjusted in time;</p> <p>2.4. Ministries willing to increase transparency and availability of information to sector stakeholders;</p> <p>3.1. Legal framework at State level adopted.</p>
<p>3. Human resource and organisational development at all levels strengthened</p>	<p>3.1.Institutional schemes (organigrams) revised according to IPA RD priority requirements including needs assessment;</p> <p>3.2. HRM procedural manuals and performance appraisals in use by EoP;</p> <p>3.3. Scholarship and staff exchange programme designed and facilitated in cooperation with other donors by EoP;</p>	<p>3.1.Gap analysis reports; Staff audits and performance appraisals;</p> <p>3.2. New rulebooks; System audit reports; Procedural manual approvals; ; system audit reports TNA report; Skills audits; training reports; Procedural manuals;</p> <p>3.3 Scholarship awards from academic institutions; Study reports; Certificates of qualifications attained by staff;; Staff exchange records; Certificates of qualifications attained by staff;</p>	<p>3.2. Priority legislation can be harmonised between state and entities;</p>
<p>4. Public awareness programme in support for pre-accession assistance to</p>	<p>4.1. Operational Public Relations (PR) capacity at state, entity and BD level by EoP;</p> <p>4.2. At least 6 major public awareness events organised to promote sector activities and</p>	<p>4.1.Event records; Press and other media reports and records; Publications and other promotional</p>	

<p>agriculture and RD prepared and implemented</p>	<p>services for CSOs, LAGs, agriculture producers and other stakeholders by EoP;</p>	<p>materials;</p>	
<p>5. Demonstrated capacity of the Plant Health Administration to coordinate preparation and implementation of the national programmes based on the acquis harmonised legislation and basic risk analysis capacities.</p>	<p>5.1. Revision of sectoral legislation including acquis gap analysis on plant health and protection products, seeds, propagation material and plant variety protection and pesticides residues by M6..</p> <p>5.2. Draft implementing legislation and guidance documents prepared and endorsed by EoP;</p> <p>5.3. Chain of command and responsibilities in the sector clarified and revised according to requirements for performance of risk assessment based plant health protection and system for certification of seeds and propagation material by M8;</p> <p>5.4. Guidance documents prepared for implementation of priority plant health protection measures based on application of risk analysis techniques by M10;</p> <p>5.5. Implementing rules defined for carrying out test for variety listing, control and certification of seeds and propagating material; Draft guidelines for sampling procedures defined.</p> <p>5.6. Preparations for conducting the plant health surveys advanced by EoP</p> <p>5.7. Training on residues, setting MRL's and drafting the annual monitoring programmes of residues control by EoP.</p>	<p>5.1. Annual report prepared by PHA and phytosanitary inspection in entities and Brčko District.</p> <p>5.2. CoM's report on adoption of legislation; PHA website and booklets issued.</p> <p>5.4. Project technical reports.</p> <p>5.6. Draft national programme of phytosanitary measures published by PHA.</p> <p>5.7 -6.6 Various training reports.</p>	<p>5.1. PHA staffed and operational.</p>
<p>6. Enhanced performance of inspection services for conducting control of harmful organisms, seeds and pesticides</p>	<p>6.1. Assessment and recommendations for improved functioning of existing inspection services performing phytosanitary control at all levels by M6;</p> <p>6.3. Assessment of equipment needs;</p>		

<p>on internal market and in international trade.</p>	<p>6.4. TNA for inspectors; Training of evaluators of plant protection products in risk assessment;</p>		
	<p>6.5. Instruction manuals prepared for the sampling; Revised procedures for checking and issuing of phytosanitary certificates by M8;</p>		
	<p>6.6. Training on sampling and control on the market and use of plant protection products by M 16;</p>		
<p>7. National programme for an upgrade of phytosanitary laboratories prepared.</p>	<p>7.1. Agreed plan of the national reference phytosanitary laboratories for testing of seeds, harmful organisms and pesticides by M8;</p>		
	<p>7.2. Defined infrastructure, equipment and training needs for the national reference laboratories including detailed investment plan by M10;</p>		
	<p>7.3. Training of laboratory staff in diagnostics of harmful organisms, seed controls, pesticide analysis; Training of laboratories towards obtaining accreditation according to ISO 17025 performed by M12;</p>	<p>8.1. PHA data base records.</p>	
<p>8. Exchange of information between the competent authorities on harmful organisms, seeds and pesticides improved.</p>	<p>8.1. Register of operators created; Established data base of the authorisations granted. Staff training on use of internet sources Rapid Alert System, communication with relevant EU and international bodies by EoP;</p>	<p>9.1 Manuals adopted by PHA management.</p>	
<p>9. Implementation of selected priority phytosanitary programme initiated through demonstrated pilot activities.</p>	<p>9.1. Priority list of phytosanitary measures established with detailed action plan and resources for implementation by M10;</p> <p>9.2. Pilot implementation of priority programme advanced by EoP.</p>	<p>9.2. National plan with priority phytosanitary measures published.</p>	<p>National laboratory plan endorsed by authorities.</p>
<p>-----</p>	<p>10.1 Successfully completed procurement procedure.</p>	<p>11.1 Provisional acceptance, final acceptance documents.</p>	
<p>10. .Equipment delivered according to the agreed national laboratory plan for the BiH authorised testing and reference laboratories.</p>	<p>11.1. Good laboratory practices developed and applied.</p> <p>11.2. Selected laboratories progressing towards accreditation. Methods used by laboratories validated by use of certified reference materials.</p>		
<p>11. Authorised laboratories perform more</p>			

<p>specific analysis based on internationally recognised methods and procedures</p>			
Activities	Means	Costs	Assumptions
<p>1.1. Support to administrative capacities for Strategic Planning and Policy Harmonisation (Contributing to Result no.1)</p> <ul style="list-style-type: none"> - Support to Strategic Planning of Agriculture and Rural Development Policy Analysis Group - Training - Elaboration of policy studies: - Elaboration of sub-sector analysis documents: - Preparation of legal approximation strategy - Legal Drafting and Enhancement of Legal Drafting Capacity - Preparation draft of B&H Rural development Strategy: <p>1.2. Support to IPA Rural Development management, control and information services (Contributing to Results no. 2 and 4)</p> <ul style="list-style-type: none"> - Development of integrated ICT solutions which ensure that any new procurement plans for ICT in any department are coordinated and compatible. - Development of procedural measures to guide ICT equipment users, data storage and security etc. - Coordinate design of new systems where appropriate. - Review the existing website structures, 	<p>Technical assistance:</p> <ul style="list-style-type: none"> • Team leader- strategic planning/policy expert • Payment system expert • HRM expert • EU Integration expert/legal adviser • Short-term experts pool (non-key experts) 	<p>Technical assistance: Total overall cost: EUR 4.807,677</p>	<p>Assumes basic legal, and institutional reforms at state and entity level have been completed to allow project to be implemented including necessary staff appointments; legal document adoption and strategic planning document adoption;</p> <p>Assumes office and other infrastructure costs to be funded from governments own resources.</p>

<p>government rules and procedures for their development and MoFTER / Entity Ministry/BD/OHCPS and ideas.</p> <ul style="list-style-type: none"> - Guide the upgrade of the site and web-based services including capacity for its regular updating and maintenance. - Establishing basic public relations capacity at state and entity level. - Support the organising of public awareness events at state and entity level. - Develop public relations protocols and procedural manuals; - Provide training to appointed PR staff on PR practices and procedures. - Multi-annual budgetary planning and reporting; - Support the creation of an internal audit unit, and train its staff accordingly including definition of internal financial controls throughout the Ministries (not just in the finance department); - Develop a model for the future development of an EU compliant payment system and support its acceptance by all key stakeholder institutions at all levels of administration in B&H; - Assist in establishing uniform practices and procedures (including information technology systems) for the authorization, execution and accounting for payments in the sector of agriculture, food and rural development, to be applied at all levels of administration in B&H; - Assist in introducing a system for unified coding of measures at state level and gradual integration with the EU nomenclature; - Promote harmonized application of the payment procedures and claims at all levels, to be broadly in accordance with EU rules and regulations. - Develop and delivery of training programs for staff at all administration levels to ensure the uniform application of procedures and implementation of 			
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measures.

1.3. Support to enhanced human resources management services

- Perform functional analysis of human resources and professional skills at state, entity and BD level;
- Establish continuous professional development programs for staff at state, entity and BD level linked to specific training programs.
- Develop and deliver training programs in cooperation with other donors (scholarship and internship programmes) for selected staff at State and entities & District Brcko levels.

1.4 Preparation of a procurement package and tendering process for up to EUR 100,000 of ICT equipment.

Supply of IT equipment

o -----

2.1. Strengthening capacity of PHA

- o Creation of mechanism for cooperation and development of framework policy to be implemented at lower levels;
- o Prepare and coordinate implementation of relevant legislation;
- o Perform and coordinate risk assessment measures to prevent spreading of harmful organisms and ensure functioning of system for certification of seeds and propagating materials;
- o Provide guidance manuals for sampling and testing;
- o Public information dissemination and communication with stakeholders involved in production and handling with plants and plant products;
- o International cooperation and coordination with other Agencies mandated with implementation of

national food control system.

2.2 Support to phytosanitary inspections

- Assessment of competencies for enhanced surveillance and sampling.
- Training to inspectors.

2.3. Support to the plant health and seed testing laboratories.

- Development of national laboratory plan.
- Training to reach accreditation status.

2.4 . Support to the operators

- Training in good hygiene practice and food safety standards.
- Development of information system for operators in the sector.
-

2.5. Assistance in implementation of selected priority phytosanitary programme

- Support implementation of pilot phytosanitary measure (s).

3.1. Equipment supply for FS laboratories

- Procurement of the laboratory equipment for the national reference laboratories to perform chemical analysis and microbiological examination.

Supply

ANNEX II: Total Project amounts (in EUR) Contracted and disbursed by quarter for the project

Contracted	2nd Q 2009	3rd Q 2009	4th Q 2009	1st Q 2010	2nd Q 2010	3rd Q 2010	4th Q 2010	1st Q 2011	2nd Q 2011	3rd Q 2011	4rd Q 2011	1st Q 2012	2nd Q 2012	3rd Q 2012	4rd Q 2012	2013	2014
Contract 1														2.400.000			
Contract 2														100.000			
Contract 3		800.000															
Contract 4	700.000																
Cumulated	700.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	4.000.000			
Disbursed																	
Contract 1														480.000		1.080.000	840.000
Contract 2														60.000	40.000		
Contract 3		240.000		240.000		240.000		80.000									
Contract 4	400.000		300.000														
Cumulated	400.000	640.000	940.000	1.180.000	1.180.000	1.420.000	1.420.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	1.500.000	2.040.000	2.080.000	3.160.000	4.000.000

ANNEX III: Breakdown of sub-activities to be co-financed from the World Bank IDA loan

(related to *Component 5- Finance, budgeting and payment systems in line with IPA RD*)

Complementing activities are defined in the components B.1 and B.2 of the World Bank Agriculture and Rural Development Project and relate to the payment system upgrade.

In addition, the complementarities between the EC and the World Bank's assistance are also evident by explicit inclusion of the EC Technical assistance to Payment System as a distinct component within the WB's procurement plan (B1).

Sub- components of the World Bank's project related to an upgrade of Payment System (B.2.1.and B.2.2) are as follows:

Payment system upgrade	
MoFTER payment system upgrade and supervision	6,000 EUR
FBIH payment system upgrade and supervision	56, 000 EUR
FBIH payment system Technical Assistance	78, 000 EUR
FBIH payment system Audit	72, 000 EUR
RS payment system upgrade and supervision	49, 000 EUR
RS FBIH payment system Technical Assistance	78, 000 EUR
RS payment system Audit	72, 000 EUR
TOTAL	411, 000 EUR

ANNEX IV: State of play on other donors assistance provided to BiH agriculture sector

World Bank Agriculture and Rural Development projects: In August 2007, B&H authorities and the World Bank signed agreements for three projects in the fields of agriculture, forestry and rural development. The B&H Agriculture and Rural Development (BHARD) Project (US \$21 million) will complement EU projects from IPA 2007 and 2008 and improve possibilities for obtaining later IPA assistance by strengthening the state agencies for food safety, veterinary services and plant health and supporting a harmonized approach to agricultural services and rural development at Entity-level. The Forest and Conservation Project (US \$5 million) provides continued support for government forest control offices and the separate non-government network of commercial forest enterprises. Assistance will be given to extend the coverage of the State Forest Inventory and to develop an overall strategy for sustainable forestry development. The Avian Influenza Preparedness Project (US \$ 5 million) will strengthen defences against avian influenza.

State of play: The April 2008 supervision mission for the BIHARD project reported some progress on procurements, allowing for implementation of project activities. Although strong ownership and firm commitment was noted among all involved Agencies, shortages of staff were a major constraining factor and there was a continuing need to develop harmonized policy strategies and implementation mechanisms, including associated legal and regulatory frameworks, that better define the roles and responsibilities of the relevant State- and Entity-level institutions, establish clear and efficient chains of command, and facilitate uninterrupted flow of reliable information. Project implementation issues requiring immediate project management attention included in particular the development of a GMO National Reference Laboratory (NRL) and a uniform animal identification and registration (I&R) system in BiH. MoFTER was urged to organize more frequent Joint Technical Working Group (JTWG) sessions to ensure greater coordination and communication in project implementation which is managed by the Project Implementation Units established in both entities.

UN International Fund for Agricultural Development (IFAD): IFAD have been operating in B&H since 1996, when they funded emergency re-stocking programmes in both entities. In 2002 they launched a new initiative to provide credit for livestock and micro enterprises and support for agriculture market development in a number of targeted municipalities in both entities. Further credit was provided in recent years for expansion of this lending programme to new municipalities to support fruit production, MAPs, sector support services and new rural SMEs.

The latest new IFAD funded project, 'the Rural Livelihoods Development Project' (RLDP), to be launched in 2008, further extends this approach. The project has a fund of 25 million KM, to be dispersed over a five year period and will work in 14 municipalities in the RS and 15 municipalities in the FB&H, most of which are considered to be the poorer and least developed areas. The project has three main components, namely:

(i) Rural Livelihoods Development: Providing capital for investments over a number of income generation activities that are discrete but inter-linked, e.g. at the farm, farmer group or association and processor levels to increase production and productivity of land, animal, crops and individual enterprises and enhance market linkages. Project activities are intended to be implemented in collaboration with private sector firms involved in processing and marketing primary produce, and in close coordination with on-going work being carried out by Government agencies, civil society and/or other donor-financed programmes. The focus of investment support will be targeted at improvements in livestock and agricultural production; Investments for agribusiness and SMEs and capacity building for farmers, agri-businesses and rural SME's;

(ii) Rural Financial Services: To promote efficient financial systems serving rural enterprises to ensure greater access to credit and more efficient use of capital. It will have two sub components, the first dealing with investments in on- and off- farm enterprises and the second with improving rural finance services. The Project will partner national financial institutions (PFIs), both commercial banks and micro-credit organizations (MCOs) to deliver credit and will ensure that loans are extended efficiently to the project beneficiaries by assisting PFIs to build up their capacity for rural lending, increase the range of lending products to rural borrowers to suit their circumstances, and develop insurance and other risk and uncertainty management services;

(iii) Market-linking Infrastructure: To support the construction of market-linking infrastructure as part of an integrated approach to revival of the rural economy and enhancing market linkages. The facilities to be constructed will include public/community infrastructure such as feeder roads, water supply

improvements and electricity connections, rural markets, village-level cold storage facilities and drying sheds. Investments in market linking physical infrastructure will be demand-driven, based on requests for assistance for micro-projects selected in a participatory manner by communities and producer associations and submitted by the municipalities to the PCU in each Entity, which will evaluate and select micro-projects in accordance with established selection criteria. The municipalities will be responsible for designing the works, mobilizing and delivering community contributions, participating in the selection of contractors, on-site construction supervision and operation and maintenance of completed facilities. Communities will contribute, in cash or through the provision of labour and local materials, at least 20% of the cost of micro-projects. Communities will ordinarily be eligible for only one micro-project but multiple projects could be approved under special circumstances where there is a need for complementary assistance in more than one sector (e.g. water and electricity) to ensure effective market linkages.

Other multi-lateral and bi-lateral assistance: United States Agency for International Development (USAID): USAID has supported the agriculture sector with reforms in the area of food safety, particularly in rationalizing inspections in order to strengthen the business environment (the Streamlining Permits and Inspection Regime Activity Project (SPIRA)) and start-up advice for small- and medium-size agro-food enterprises (Linking Agricultural Producers to Markets Project (LAMP)). Under SPIRA it has supported efforts in drafting new inspection legislation and has worked with the Bank's public administration program loan to help establish the single inspection directorates in each Entity. It is currently providing assistance to rationalize procedures and improve tracking and risk management. The Project support to strengthening inspection coordination and information technology will complement these program lending and SPIRA initiatives. The USAID sponsored ELMO Project is strengthening the judicial system in support of inspection implementation.

Under LAMP (2003-2008), innovative small enterprises with a successful track record in sales on domestic and/or international markets were given grants through a credit line to help purchase machinery etc. so production could be increased in response to sustainable market demand. A range of technical assistance and training was provided to enhance competitiveness.

Its successor LAMP II, will be a one-year project funded by USAID to achieve objectives under the Rural Employment Generation Activity (REGA). The objective is to increase the agricultural production and quality of soft fruits, increase and improve financial services along the value chain, and to strengthen the relationships among all participants in the value chain to create a sustainable, equitable, and quality-oriented soft fruits sector in Bosnia-Herzegovina. LAMP II activities will focus on:

- 1) Selection of participating farmers, training institutions, processors, cooperatives and other counterparts that will be engaged in the REGA;
- 2) Linking participating farmers to local agricultural counterparts (extension services, NGOs, institutes, others) that will serve as a sustainable source of technical advice to farmers;
- 3) Assisting participating farmers to identify (new) markets; and
- 4) Acting in an advisory role to all REGA participants.

Key REGA partners will be Partner MCO which will provide micro-credit products to farmers on favourable terms. LAMP II will provide technical assistance in the field to assist farmers to select high quality seedlings, apply modern agricultural production techniques, work towards GlobalGAP implementation, link with markets etc. Focus will be on berries products and regional focus is NE Bosnia and partly Central Bosnia.

Swedish International Development Agency (Sida). Besides contributing substantially to the World Bank BIHARD project (approx USD\$6 million) SIDA is currently reconsidering its portfolio and is likely to provide support to a large agri-business project, together with USAID.

Germany: Main contributions are currently made through a twinning project financed by the European Union. GTZ and the Bavarian Inspection services, in partnership with the B&H State Veterinarian Office are working to strengthen B&H internal inspection services in the animal health and hygiene sectors. Current EU support for database management and risk assessment and mitigation will compliment this GTZ Project. In partnership with the Austrian Development Agency, Sida and latterly the World Bank, GTZ has co-financed for the last 4 years an important Land Administration Project (LAP) for strengthening and improving land cadastre and registry procedures in B&H. Germany is also funding the project "SME promotion in the fruit and vegetable sector", implemented by the Swiss Agency for Development and Cooperation (SDC), which operates in the regions of Banja Luka, Tuzla

and Mostar from 2000 to March 2009. Advanced crop production technologies, support to strengthening producer organisations and facilitating market chain contracts are key areas of focus.

Spain: The assistance is managed by the Spanish Agency for International Cooperation (AECI). Some 10% of AECI funds (EUR 3 million) are annually allocated to support the agricultural developments. New support by Spain includes the project "Support to establishment and consolidation of the Centre for agriculture and rural development of Herzegovina Region". The project objective is to improve the level of rural and agricultural development in Herzegovina region, as well as to offer support in establishing the Centre. The regional economic development agency REDAH is the implementing authority, and the Federal Agro-Mediterranean Association is a participant in the project. The total project value is EUR504,700.00, 90% of which is contributed by AECI, with a 10% contribution by REDAH. The project beneficiaries will be agriculture producers from Herzegovina, agricultural associations, and other agriculture commercial organisations, the municipalities, students, academics and inhabitants of the region. The envisaged project duration is 3 years from November 2007. The centre is located in the rural village of Hodbina, near Buna, about 10km south of Mostar.

Italy: Agricultural interventions are managed by the Italian Development Cooperation (IDC). Support has mainly targeted the strengthening of sustainable agricultural production (organic farming, establishment of co-operatives and consortia). In addition, the IDC provided most of the financial support (EUR3 million between 2000 and 2006) for the FAO project 'Inventory of Post-War Situation of Land Resources in B&H' (PLUD), which has provided essential information on land resources, capability and risks in the first post-war assessment of the agricultural sector. 40% of Italy's direct aid went to the agriculture sector in 2006. This will decline to 24% on average in future.

Switzerland: About 10% of the aid given in B&H by the Swiss Agency for Development and Cooperation (SDC) is targeted on the agricultural sector. SDC expect this proportion will increase to 15% in 2007. The main part of this assistance (EUR 36,000) is given for promotion of small- and medium-size enterprises in the fruit and vegetable sectors around Banja Luka and Tuzla and also supporting wood industry development. In mid 2005 the Project "Promotion of agriculture in the region of Mostar" (SPPOM) began, aiming to increase employment in agriculture in the broader region of Mostar. Greenhouse vegetable production, cherries, peaches and apricots as well as the vineyard production are the main focus, working with individual farmers and associations. The second 3-year phase started in January 2007.

Japan: In the field of technical assistance, the Japan International Cooperation Agency (JICA) has conducted various kinds of training courses in Japan, dispatching Japanese experts to B&H, and implementing many development studies. Concessional ('soft') loans have also been made for economic and agricultural development. Japan also makes substantial contributions and donations to multi-lateral aid organizations such as the World Bank, Asian Development Bank, etc.

Canada: The Canadian International Development Agency (CIDA) has disbursed more than CAD \$130 million in bilateral assistance to B&H. CIDA's current aid priorities for B&H are: the rule of law; health; and education. In addition, gender equality (co-financed with UNDP), environment, refugees and child protection are integrated as cross-cutting issues where possible into programming. Slightly more than EUR 64,000 was disbursed in the agricultural and forestry sectors.

Norway: The largest share of Norwegian bilateral aid to B&H contribution goes to strengthening the judiciary, and related security sectors. However, high shares have also gone to de-mining and infrastructure development, the social/civil sector and, to a small extent (EUR 9,000 in 2006) agricultural SME development.

Austria: The Austrian Development Cooperation and Cooperation with Eastern Europe (ADC) of the Federal Ministry for Foreign Affairs provides the nucleus of Austria's bilateral aid, all of which is grant aid. Direct spending in 2006 was EUR 2.6 million. In line with recent years, much of this went to refugee return projects, but a big contribution was made to the Land Administration Project (LAP) to improve land cadastre and land registries. The LAP has great importance for successful registration of farms and land, disease and production control and use of land as security for commercial loans. The LAP is co-financed with Germany (GTZ), Sida and latterly the World Bank.

FAO: Supported financially by the Government of Italy and the Netherlands, with material support from UNDP, FAO executed the project 'Inventory of Post-War Situation of Land Resources in B&H' (PLUD) between 2000 and 2007. This provided essential information on land resources, capability and risks in the first post-war assessment of the agricultural sector. A new project is about to be launched to support integrated rural development in a number of pilot regions, with special emphasis on Land

Consolidation.

UNDP: UNDP spent approximately USD 16 million (EUR 12.5 million) in 2006, a tendency that will continue in future years. More than 60% of UNDP's contribution is to the Economic and Social Development Sector through three main programs – Rights Based Municipal Development Programme (RMAP), a local government strategic planning project; Sustainable Transfer to Return-related Authorities (SUTRA), a returnee and local development project; and the Srebrenica Regional Recovery Programme. UNDP B&H is also actively supporting gender equality measures under the governments' Gender Equality Action Plan.

ANNEX V: Food Safety component - Specifications of the Laboratory Equipment

EC supply component

1. Equipment for Determination of Metallic Contaminants
 - 1.1 Microwave Digestion System
 - 1.2 Atomic Absorption Spectrophotometer with Graphite Furnace
 - 1.3 Atomic Absorption Spectrophotometer, Flame with Hydride Generation Accessory

2. Equipment for Determination of Residues of Veterinary Substances
 - 2.1. ELISA Assay Equipment
 - 2.2. Micro-Plate Reader
 - 2.3. Incubator for use with 96 Well Microtitre Plates
 - 2.4. Plate Washer – for use with Microtitre Plates
 - 2.5. High Performance Liquid Chromatograph with MS-MS Detector
 - 2.6. Rotary Vacuum Evaporator
 - 2.7. Vacuum Manifold & Accessories for use with Solid Phase Extraction (SPE) Cartridges

3. Equipment for Determination of Organophosphorus and Organochlorine Pesticide Residues
 - 3.1. Gas Chromatograph – with ECD and NPD Detectors
 - 3.2. Gas Chromatograph with Mass Spectrometric Detector
 - 3.3. Rotary Vacuum Evaporator
 - 3.4. Automated Gel Permeation Chromatography System

4. Equipment for Determination of Mycotoxins
 - 4.1 High Performance Liquid Chromatograph with Fluorescence Detector
 - 4.2 Post Column Derivatisation System
 - 4.3 Rotary Vacuum Evaporator
 - 4.4 Vacuum Manifold & Accessories for use with Solid Phase Extraction (SPE) Cartridges

Supplies from the World Bank loan (EUR)

<u>Food risk sampling and laboratory testing</u>	
Sample Collection /m	25,948
Miscellaneous equipment /n	8,568
Laboratory testing /o	170,960
Total	205,476

ANNEX VI: Plant health component - List of activities to be co-financed from the World Bank's loan

Development of APH database	
APH database	
Phytosanitary Database Designer /a	30,230
Training	
Training in SPO Database Operation	4,635
Regional Study Tour	4,508
Development of PS database	
Software writing	67,812
PS database hardware	
Server for phytosanitary database	58,812
Desktop computers	17,643
Laptops	7,561
Total	191,201

ANNEX VII Planned detailed list for IT equipment (Contract 1.2 IT supply)

Planned list of the IT equipment for 15 people at the Office for Harmonization and Coordination of Payment System in agriculture BiH (OHCPS):

Device	Quantity	EUR	
1. Server	1		
2. Switch	2		
3. Router	1		
4. UPS	1		
5. Copy	1		
6. Printer	2		
7. Desktop PC	15		
8. Notebook	2		
9. Rack	1		
10. LCD Monitor Keyboard Mouse, KVM switch	1		
11. LAN passive	1		
12. Internet links	1		
13. Installation and configuration service	1		
Total amount:		30000	

Planned budget for the IT equipment for the Federal Ministry of Agriculture, Forestry and Water Management: 30000 EUR²

Planned budget for the IT equipment for the Ministry of Agriculture, Forestry and Water Management of Republica Srpska: 30000 EUR

Planned budget for IT equipment for the Department of Agriculture, Forestry and Water Management of Brcko District: 10,000 EUR

Planned budget in total: 100,000 EUR

² The indicative list for the entities and Brcko District is not available at the time of the update of the PF. The technical specifications will further specify the list of planned equipment.