

PHARE 2001
STANDARD SUMMARY PROJECT FICHE

1. Basic Information

- 1.1 Désirée Number:** RO-0106.07
- 1.2 Title:** Strengthening the Romanian institutional capacity to apply the measures foreseen within the National Plan for Agriculture and Rural Development
- 1.3 Sector:** Agriculture
- 1.4 Twinning component:** N/A
- 1.5 Location:** Romania

2. Objectives

2.1 Overall Objective(s)

To support the Romanian Government to implement a rural development policy in line with the economic and social cohesion strategy adopted within the context of the pre-accession process.

2.2 Project Purpose

To strengthen the institutional capacity of the Romanian public bodies (Sapard Agency, National Fund, Managing Authority and Certifying Body) involved in the Sapard programme.

2.3 Accession Partnership and NPAA Priority

The National Programme for Adoption of the Acquis, version 2000, has been submitted to the EC Commission. It shows that the accession process is a priority for all sectors and that the further transposition of the acquis is a top priority. The NPAA clearly demonstrates the strong commitment of Romania to continue its effort towards its accession to the EU.

In future, the Sapard programme will become operational and the Phare interventions will be jointed with this pre-accession financial instrument.

Therefore, according to the accession Partnership, the Phare programme could be aimed to the reinforcement of the administrative and judicial capacity, including that to manage and control the EU funds, in the following manner:

- preparing for the implementation of regional programmes, as well as the Community initiatives;
- improving inter-ministerial co-ordination for structural funds on a regular basis;

- establishing a budgetary system and its procedures allowing for pluri-annual commitments and organising its management according to structural funds standards, including appraisal and evaluation.

2.4 Contribution to National Development Plan

The National Development Plan mainly contains the strategic priorities for Romanian development between 2000 and 2002, for which Romania requests the EU financial support by the pre-accession financial instruments Phare, Ispa and Sapard. These priorities constitute the development framework of the future programmes and projects financed by the community funds on this period of time.

The National Plan for Agriculture and Rural Development – as programming document for the Sapard programme's financial assistance – is a part of the National Development Plan.

2.5 Cross Border Impact

N/A

3. Description

3.1 Background and Justification

On 2 February 2001, the Sapard Multi-annual Financing Agreement between European Community and Romania has been signed. It establishes, in accordance with the Council Regulation no 1268/1999, the Community support for agriculture and rural development in Romania.

Having regard to this main document, the following Romanian public bodies are involved in the implementation of the Sapard programme:

National Fund

National Fund is a body within the Ministry of Public Finance, which acts as Competent Authority.

Court of Accounts

The Court of Accounts of Romania (Certifying Body) is a public institution subordinated to the Romanian Parliament, whose control activity is free of charge for the audited public institutions.

Sapard Agency

Sapard Agency is a public institution with legal status subordinated to the Ministry of Agriculture, Food and Forestry.

Managing Authority

Managing Authority is a body established within Ministry for European Integration.

Because of the Sapard programme will be implemented in Romania for the first time, the know-how is essential to its full success.

The running framework of the Sapard programme is complex and requires a strong preparation before starting the effective implementation. During the inception period the public bodies involved have to benefit by:

know-how transfer in the field of audit

know-how transfer in the field of prevention risks

know-how on EU system of accounting

know-how on evaluation and monitoring the Sapard programme

To organise training sessions and to benefit by technical assistance for public bodies involved in implementing the measures foreseen in the National Plan for Agriculture and Rural Development, are the first steps to ensure a good starts in the problem in question.

The relevant support in order to strengthen the institutional capacity of the Romanian public bodies to become able to develop the measures comprised in the National Plan for Agriculture and Rural Development consists in technical assistance and training sessions with both senior manager and staff who have specific responsibilities for the smooth running of Sapard programme.

3.2 Linked Activities

Through Phare RO 9807.01 regional policy and Cohesion, the Component 3, Special Preparatory Programme (SPP) contained some components of technical assistance related to preparation for Sapard programme:

“Preparation for Sapard”, twining component – RO98-IB-SPP-02;

“The establishment of the appropriate operational and financial management structures needed for the implementation of Sapard programme” – RO9807.01.03.06.

3.3 Results

After the projects will end, the Romanian public bodies involved in the Sapard Programme implementation will have the necessary know-how to carry out their specific responsibilities, as follows:

- the National Fund personnel will be able to carry out their responsibilities regarding the Sapard Agency examination: execution of payments, safeguarding of the treasury, the security of computer system, the maintenance of accounting records, division of duties and the adequacy of internal and external control, guarantees to be obtained, amounts to be collected, the selection of projects, tendering, contracting, and the respect of procurement rules.
- The Sapard Agency will have the knowledge to meet implementation tasks (call for applications, project selection, checking of applications, laying down contractual obligations, reporting on progress) and payment tasks (checking of payment claims, authorisation and execution of payment, accounting of commitments and payments) in line with EU procedures.
- The Court of Accounts personnel involved in Sapard programme audit will be able to control the Sapard euro account and the accounts of the Sapard Agency regarding their integrity, accuracy and veracity, and to deliver the certificate on these accounts. It will also have the know-how to issue the annual report on the adequacy of management and control systems of the Sapard Agency and to verify the correctness of the national co-financing fund.
- The Managing Authority will be able to set up a system to gather financial and statistical information on progress of the programme based on monitoring indicators, to draw up the annual implementation report and the mid-term evaluation. Managing Authority will ensure the smooth running of the Sapard Programme and the link between the public bodies concerned.

3.4 Activities

Technical Assistance contracts will be provided on the basis on an agreement between the Romanian National Aid Co-ordinator and the Commission concerning the four organisations involved.

4. Institutional Framework

On 2 February 2001, the Sapard Multi-annual Financing Agreement between European Community and Romania has been signed. It establishes, in accordance with the Council Regulation no 1268/1999, the Community support for agriculture and rural development in Romania.

Having regard to this main document, the following Romanian public bodies are involved in the implementation of the Sapard programme:

National Fund

National Fund is a body within the Ministry of Public Finance, which acts as Competent Authority. The main responsibilities of the National Fund are to issue, monitor and withdraw accreditation of the Sapard Agency.

The decision on accreditation shall be based on a detailed examination covering the administrative, accounting, payment and internal control arrangements set up by the

Sapard Agency

The National Authorising Officer, as the official responsible of the National Fund's activity, bears the full financial liability for the Sapard funds.

Court of Accounts

The Court of Accounts of Romania is a public institution subordinated to the Romanian Parliament, whose control activity is free of charge for the audited public institutions. In this case, it acts as Certifying Body and in this position it has the responsibility to control the public funds for the Sapard programme, to report on the adequacy of the Sapard Agency's system for management and control and to verify the existence and correctness of the national co-financing contribution.

Sapard Agency

Sapard Agency is a public institution with legal status subordinated to the Ministry of Agriculture, Food and Forestry, which has both the responsibility of the Sapard programme's implementation and that of payments.

Managing Authority

Managing Authority is a body established within Ministry for European Integration, responsible for the efficiency and correctness of co-ordination and reporting on the monitoring and evaluation of the Sapard programme.

This project, if it will be funded by the Phare programme, will support the strengthening the institutional capacity of Romania to accomplish the duties foreseen in the international agreements and National Development Plan.

5. Detailed Budget

(in MEURO)

	Phare Support					
	Investment Support	Institution Building	Total Phare (=I+IB)	National Co-financing*	IFI*	TOTAL
Total		2,000,000	2,000,000			2,000,000

** In cases of co-financing only*

Note: expenditure for equipment should be put under Investment

6. Implementation Arrangements

6.1 Implementing Agency

The Central Finance and Contracts Unit is established, on the basis of the Government Decision no 1011/09.12.1999, under the authority of the Ministry of Public Finance and is responsible for all the procedural and administrative aspects of tendering organising, of contracting and payments.

The technical implementation is ensured by the Sapard Agency. It acts as Implementing Authority and is responsible for projects identification, programming and detailing, the technical implementation of the project and the procedural and administrative management.

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6.2 Non-standard Aspects

N/A

6.3 Contracts

N/A

7. Implementation Schedule

- 7.1 Start of tendering/call for proposals: November-December 2001
- 7.2 Start of project activity: March-April 2002
- 7.3 Project Completion: September 2004

8. Equal Opportunity

Equal opportunity for men and women to participate in all the components of the project will be ensured.

9. Environment

N/A

10. Rates of Return

N/A

11. Investment Criteria

11.1 Catalytic Effect

Phare's support must catalyse a priority accession driven action which would otherwise not have taken place or which would have taken place at a later date. The National Plan for Agriculture and Rural Development – as programming document for the Sapard programme's financial assistance – is a part of the National Development Plan. The National Development Plan mainly contains the strategic priorities for Romanian development between 2000 and 2002, for which Romania requests the EU financial support by the pre-accession financial instruments Phare, Ispa and Sapard.

11.2 Cofinancing

Phare must use its grants to attract as much cofinancing as possible from all sources.

11.3 Additionality

Phare grants shall not displace other financiers especially from the private sector or IFIs. Phare financial support will be used in order to strengthen the institutional capacity of the Romanian public bodies involved in the Sapard Programme implementation.

11.4 Project Readiness and Size

Projects will only be financed by Phare if they are ready for contracting and when all necessary technical studies have been completed.

11.5 Sustainability

The investment must be sustainable in the long term, i.e. beyond the date of accession. They must therefore comply with EU norms and standards and be in line with EU sector policy acquis. They should not have adverse effects on the environment and must be financially sustainable, i.e. who will pay for future maintenance and operating costs.

After the projects will end, the Romanian public bodies involved in the Sapard Programme implementation will have the necessary know-how to carry out their specific responsibilities. In addition to this, at the accession time, Romania will be prepared to participate within the Common Agricultural Policy.

11.6 Compliance with State Aids Provisions

Investments must respect the state aids provisions of the Europe Agreement.

The European Agreement establishing an association between Romania and the European Communities and Member States entered into force on February 1995.

11.7 Contribution to National Development Plan

The National Development Plan mainly contains the strategic priorities for Romanian development between 2000 and 2002, for which Romania requests the EU financial support by the pre-accession financial instruments Phare, Ispa and Sapard. These priorities constitute the development framework of the future programmes and projects financed by the community funds on this period of time.

The National Plan for Agriculture and Rural Development – as programming document for the Sapard programme's financial assistance – is a part of the National Development Plan.

12. Conditionality and Sequencing

N/A

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme
(including disbursement period)

LOGFRAME PLANNING MATRIX		
Strengthening the Romanian institutional capacity to apply the measures foreseen within the National Plan for Agriculture and Rural Development	Contracting period expires 30.11.2003	Disbursement period expires 30.11.2004
	Total budget: 2,000,000 EURO	Phare budget : 2,000,000 EURO

Overall objective	Objectively verifiable indicators	Sources of Verification	
<ul style="list-style-type: none"> To support the Romanian Government to implement a rural development policy in line with the economic and social cohesion strategy adopted within the context of the pre-accession process 	<ul style="list-style-type: none"> The rank of accomplishment the measures comprised in NPD 	National Report towards Romania Accession to the European Union	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> To strengthen the institutional capacity of the Romanian public bodies (Sapard Agency, National Fund, Managing Authority and Certifying Body) involved in the Sapard programme 	<ul style="list-style-type: none"> Number of implemented projects which represents the successful implementation of the programme 	<ul style="list-style-type: none"> Annual and mid-term evaluation on the programme progress Monitoring reports the final evaluation report 	<ul style="list-style-type: none"> markets access improving and agricultural products processed competitiveness rural infrastructure improving, development rural economy human resources development
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> After the projects will end, the Romanian public bodies involved in the Sapard Programme implementation will have the necessary know-how to carry out their specific responsibilities 	<ul style="list-style-type: none"> Number of training sessions/events Total number of participants Number of sessions days 	<ul style="list-style-type: none"> Monitoring and evaluation reports 	
Activities	Means		Assumptions
Technical assistance in the field of audit Technical assistance in the field of prevention risks			

<p>Technical assistance on EU accounting system (International accounting Standard)</p> <p>Technical assistance on evaluation the Sapard programme</p> <p>Technical assistance aimed to set up a system of gathering the information on different stage of the Sapard programme Cycle on the basis of monitoring indicators</p> <p>Technical assistance on risk analysis in the post-payment process</p> <p>Organising training sessions and study tours with the staff of public bodies involved in the Sapard Programme in order to develop their skills on effective implement, monitoring and control activities</p> <p>Organising workshops, sessions, conference and debates on the matter of Sapard programme implementation with participation of EU experts, public bodies staff and beneficiaries</p> <p>Procurement of IT equipment for upgrading and completing the Sapard Agency and the Court of Accounts computer network</p>			
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Strengthening the Romanian institutional capacity to apply the measures foreseen within the National Plan for Agriculture and Rural Development

	2001						2002												2003												2004														
calendar months	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D			
activities																																													
Technical assistance in the field of audit	D	D	D	D	D	D	D	D	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Technical assistance in the field of prevention risks	D	D	D	D	D	D	D	D	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Technical assistance on EU accounting system	D	D	D	D	D	D	D	D	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Technical assistance on evaluation	D	D	D	D	D	D	D	D	C	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Technical assistance to set up an information system based on indicators	D	D	D	D	D	D	D	D	C	C	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Technical assistance on risk analysis in the post-payment process	D	D	D	D	D	D	D	D	C	C	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Organising training sessions and study tours	D	D	D	D	D	D	D	D	C	C	C	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Organising workshops, sessions, conference and debates	D	D	D	D	D	D	D	D	C	C	C	C	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Procurement of IT equipment	D	D	D	D	D	D	D	D	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
	D = Design						C = Contracting												I = Implementation																										

Annex 3 : Cumulative contracting and disbursement schedule by quarter for project: RO0106.07

<i>Strengthening the Romanian institutional capacity to apply the measures foreseen within the National Plan for Agriculture and Rural Development (MEUR 2.0)</i>												
	31/03/02	30/06/02	30/09/02	31/12/02	31/03/03	30/06/03	30/09/03	31/12/03	31/03/04	30/06/04	30/09/04	31/12/04
CONTRACTED	0.5	1.0	1.5	2.0	2.0	2.0	2.0	2.0	-	-	-	-
DISBURSEMENT	0.25	0.5	0.75	1.0	1.25	1.5	1.75	2.0	2.0	2.0	2.0	2.0