

Project Fiche - IPA Annual Action Programme 2007 for Bosnia and Herzegovina
Strengthening and Harmonisation of the BiH agriculture and rural sectors
Information System

1. Basic information

1.1 CRIS Number:

1.2 Title: Strengthening and Harmonisation of the BiH agriculture and rural sectors
Information System

1.3 ELARG Statistical Code: 03.11 – Agriculture and rural development

1.4 Location: Bosnia and Herzegovina

Implementing arrangements:

1.5 Contracting Authority: Delegation of European Commission in Bosnia and Herzegovina

1.6 Implementing Agency: Delegation of European Commission in Bosnia and Herzegovina

1.7 Beneficiary (including details of project manager):

Ministry of Foreign Trade and Economic Relations (MoFTER), Agency for Statistics of B&H (BHAS), Ministry of Agriculture FBiH, Statistics Bureau FBiH, Ministry of Agriculture RS and Statistics Bureau RS.

Financing:

1.8 Overall cost: € 1,500,000

1.9 EU contribution: € 1,500,000

1.10 Final date for contracting: N+2

1.11 Final date for execution of contracts: N+4

1.12 Final date for disbursements: N+5

2. Overall Objective and Project Purpose

2.1 Overall Objective:

The development of the BiH agricultural information structure in line with EU and other internationally accepted standards of information supply to aid sectoral policy and decision-making processes.

2.2 Project purpose:

The purpose of this project will be to address the immediate BiH needs for accurate, up to date and reliable agricultural data for the rural economy and agriculture sectors based on standardised and EU harmonised methods of data collection, recording and analysis developed during performance of pilot projects related to collection of information on agricultural production, farm economic performance and availability of accurate data from sampling survey. The project is aimed to be the first phase of an integrated programme of support to the agriculture information system which main building blocks will be defined based on experiences gained from the pilot data collection schemes.

2.3 Link with AP/NPAA / EP/ SAA

The European Partnership (EP) agreement with BiH identified that further support was necessary for the improved collection and management of agricultural data. A clearly defined short-term priority within the EP states that BiH needs to reinforce collection and processing of agricultural statistics in line with EU standards and methodology. In terms of the general statistics requirement, the EP stipulates that further development of the State level capacities in statistics is needed by implementation of multi-annual plan for statistics and production of regular and sound macroeconomic indicators.

Furthermore, the *acquis communautaire* clearly delineates administrative structures, which are required for normal working practice in the field of agricultural statistics. These include: Agricultural census, Agricultural structural surveys, Farm income surveys, Sector specific elements for data collection. At present none of these are available in BiH.

BiH Progress Report for 2006 indicates that harmonised collection of statistical data and international reporting is weak in Agriculture sector and that establishment of reliable and comparable agricultural statistics is hampered by the absence of framework State-level agricultural legislation aimed to provide main definitions related to the sector and to establish framework for the nation-wide information system. The aim of the proposed IPA 2007 intervention is to initiate this process through the practical experience gained from the pilot activities incorporated into development of the programme for support creation of nation-wide agriculture information system.

2.4 Link with MiPD

Within the chapter 2.2.3. related to the European Standards, MiPD has identified a need for comprehensive agriculture and rural development strategy at national level developed and implemented with agriculture sector actively contributing to economic growth and integration with the EU and alignment of agricultural legislation to the *acquis*. As such, the assistance will be provided to support the alignment to the agricultural *acquis* to increase economic growth by a developed agriculture sector and institution and capacity building with the aim to prepare the sector to absorb pre-accession funds.

To address the above objective, BiH will require accurate and reliable information on situation in Agricultural sector, that will be initiated by implementation of this project.

2.5 Link with National Development Plan

Agriculture Sector

Agriculture remains an important segment across all areas of BiH and although the general agriculture sector is currently only represented at state level by MoFTER, plans are in hand to establish a state wide Ministry of Agriculture, Food and Rural Development (MAFRD). Consequently a draft law has already been prepared on Agriculture, Food and Rural Development for BiH, providing for distribution of competencies in Agriculture sector between all the BiH administrative levels and creating the framework for collection of administrative data in key areas, including;

- Rural development – the Law prescribes definition of the BiH Rural Development plan and operational programme, including development objectives, mechanisms for monitoring and evaluation, framework for financial requirements and procedures for usage of funds and a system for reporting. Baseline data will be required to define the current situation, develop appropriate measures and indicators to monitor its effectiveness.

- Harmonisation of payment systems – aimed to gradually align the BiH payment system with the EU. Institutional capacities should be created at state level to coordinate the payment systems and procedures for providing the agricultural and rural support to beneficiaries, ensure transparency and traceability of support measures and payments, to carry out audits and control functions, to assist in establishing registers and other records, to coordinate the work of relevant services, to communicate with internal and external bodies concerning procedures and data exchange for statistical and other purposes and to establish an effective monitoring and evaluation system in accordance with best European practice. The above elements are the main features of Integrated Administration and Control System (IACS), which is defined in CR 1782/2003 and EC Regulation 795/2004, and transposed into a BiH draft Legislation provides MoFTER with mandate to coordinate creation of unified BiH farm, client, and animal registers and to contribute development of Land Parcel Identification System. Recording in registers will be compulsory for all agricultural holdings wishing to benefit from support measures of agriculture, food and rural policy.
- Databases – MAFRD shall be responsible for establishing an integrated database system to link registry data and other relevant information systems, ensuring technical harmonisation of existing and new databases in line with EU best practices. MAFRD may acquire and use existing data sources available at all levels of government within public institutions and agencies and other authorized bodies.
- Market information service – will be established by MAFRD and will be responsible for the collection, processing and making public of data on quantities and process of certain agricultural products or foodstuffs, agricultural land and on BiH and international markets. Competent bodies of the Entities and Brčko District shall be obliged to deliver data to MIS on a regular basis for the purpose of creating representative data for BiH, in line with EU and other relevant international requirements and for exchange of comparable data with other countries.

Statistics

Despite of the fact that the competence over statistical activities is not explicitly assigned to the State under the BiH Constitution, the State has responsibility to aggregate statistical information in the areas of its implicit mandate (foreign trade, customs, monetary sector). Creating institutional and technical capacity of the government institutions to collect, produce and disseminate essential statistical data will empower them to act as reliable counterparts to the international community and to effectively implement economic policies.

The organisation of the current BiH statistical system is organised on three levels (State, entity and level of local-regional or cantonal offices) with the competencies based upon the following legislation;

- Law on protection of Individual Data (2001);
- Law on Ministries (2002);
- Law on Statistics of BiH (2004);
- Law on Statistics of FBiH (2003);
- Law on Statistics of RS (2003);
- Law on the Classification of activities (2006).

A progress towards creation of co-ordinated national statistics system is evident by adoption of BiH Law on Statistics and establishment of the BHAS, which has initiated coordination between the entities institutes. A Memorandum of Understanding was signed by the relevant Statistical Offices to allow establishment of a unified system of standards, methodologies and application for statistical production in November 2005. A Mid-Term Development Strategy (2004 – 2007)

has also been developed by the BiH Statistical Offices with the objectives of creating conditions for sustainable and balanced economic development, reduced poverty and accelerated EU integration. This is being realised via the Annual Activity Programmes.

The most pertinent of these regulations with regard to this proposal is the BiH Law on Statistics (2004) – Official Gazette N° 26/04 which sets out basis for the formulation of working groups to define and decide questions and definitions on statistics and then to have these agreed and implemented following the signing of a memorandum of understanding by all parties. This law also allows the BHAS to oblige any organisation, individual, institution, group or association of individuals to provide information as required by BHAS.

The BiH Law on Administration regulates and obliges harmonisation and cooperation both vertically and horizontally, between agencies and institutes at all levels of administration.

Under the existing legislation there is therefore no impediment to the collection of information, data or statistics at any level in BiH and BHAS has the right to formulate and change methods and systems of data collection at any administrative level through the decisions of the working group and with the signed Memorandum of Understanding.

In conclusion, the above created legal framework indicates that significant pressures will be imposed on the BiH authorities with a central role of the State-level Ministry to create a functional flow of agricultural information between all BiH levels in the near future in order to monitor the progress towards the EU accession and to enhance economic performance of the sector by more responsive policy measures.

2.6 Link with national/ sectoral investment plans

In parallel to the above initiated State-level framework, the entities Ministries of Agriculture have intensified activities on setting the farm registers. RS is planning to carry out a limited exercise to establish a type of limited farm register by mid 2007. A decree is being prepared in the Entity parliament to place the legal basis for the census and the information is to be sent out and collected by the 63 municipalities within the RS. Participation in the process is voluntary but farmers will not be eligible for any subsidy payments unless they participate.

At the MoA in FBiH the situation is similar, except that they are not so advanced in planning for any form of register or census. However, their intention to establish better linkage with Municipalities responsible for collecting/estimating the information and statistical data has been recognised as a strategic orientation.

Within the District Brčko, the EU-Phare project “*Institutional Support to the Ministries of Agriculture*” implemented a “pilot” agricultural sector census in 2003. Although limited in size, the census was successful and the experience gained will be used as a building block on which to base the expanded activity in both RS and FBiH. Within District Brčko, the translated EU standard questionnaire used for the interviews and dedicated MS-Access software used for both data entry and data process remains in place and can be used as an initial model for the larger area.

Availability of data from administrative sources, along with information received from agricultural census and surveys will present a starting point for definition of farm registers with a same unique identifier for each farm in both, statistical and administrative registers, as a key issue of agricultural statistics. A proposal to support implementation of pilot activity to prepare methodology and processes for implementation of a nationwide agricultural census and general population census in BiH anticipated for performance by 2011 would be in line with the above

national priorities. It should be noted, however, that expansion of pilot activity across other areas or BiH-wide would not depend on general census, but rather on availability of funding, either from follow up EC intervention or from other donors support.

National investment is indicated by the total BiH budget support to the agricultural sector which has dramatically increased since 2002, from 12,773,800 € up to 25,700,000 € by 2005. Between 2002-2004, the major part of funds was allocated to market price support measures and traditionally the majority of funding has been provided to the wheat, dairy and livestock sectors. In addition, the envisaged World Bank's support to the Sector will include 0.7 million € for establishment of a secure communication system between the participating State, entity and municipal level institutions and provision of supporting information technology hardware and database management software and national consultants to support the establishment of agriculture and rural development information units within the relevant institutions.

3. Description of project

3.1 Background and justification

Support to Agriculture Sector under Instrument for Pre-accession (IPA) programme would be mainly aimed to contribute creation of the administrative structures that would be required for absorption of the future IPA Rural Development funds, currently available to the candidate countries. An access to this EU financing mechanism would require from BiH a substantial capacity to implement, control and monitor effects of the policy measures based on availability of reliable and accurate information obtained through application of EU harmonised methodologies and working practices.

A key constraint to improvement of the agriculture sector management and implementation of the *acquis* in BiH is the lack of accurate, reliable and timely information. Current information collection, collation and dissemination are undertaken in an ad hoc manner, not linked or guided by strategic priorities or policy demands and with limited information exchange between Entities and State. At State level, BHAS is tasked with coordinating information and reporting to EUROSTAT, but information collection remains an Entity level activity. Existing published sector information is very limited and that which is made available is generally considered to be of a poor quality, lacking statistical rigour or relevance to the emerging market economy. The situation in the sector is best illustrated in following:

- **Current status of AIS:** There is currently a complete lack of any Agricultural Information System in either BiH Entity Ministry or at a central level;
- **Statistics:** Agricultural statistics are not covered currently by the tasks of either Ministry.
- **Hardware and software:** The Entities are poorly provided with functional hardware and software, which is necessary for efficient or effective work.
- **Databases:** Ministries are not using efficient computerised databases. The information is gathered in an inconsistent way and therefore not utilised well.
- **Market Information services:** Agricultural Market Information Services do not exist in either Entity. Past systems have collapsed due to lack of resources and Ministry capacity to manage pilot systems. Price information is an important part of any AIS.
- **Agricultural Socio-Economic and Statistical Information:** No clear and precise collection of information (or database development) regarding farmers, agriculture or the rural economy in general. There is great need of an agricultural census and/or a complete register of farms, which could be utilised to provide the basis for establishing a system for sample and/or detailed sector specific surveys.

MoFTER has currently limited infrastructure to coordinate collection and utilisation of agricultural and rural information. The transposition from MoFTER based Agricultural Sector into a new Ministry of Agriculture, Food and Rural Development for BiH is expected by the end of 2007. This will create potential for enhanced coordination, monitoring and control of policy measures based on available information. Similarly BHAS is keen to develop national statistics but currently does not have the capacity or official support from Entities to expand its activities. In terms of staffing, there are 5 agricultural statisticians currently employed by the state and entities level statistical administration. In absence of agricultural census and due to the poor coverage and frequency of surveys, most of the information is based on estimation by municipal administration. Organisation of the agricultural statistics within MoFTER is expected within the ongoing EC supported activities related on creation of the functional Agricultural Sector. Further support to reinforced capacity of agricultural administration for managing the information system is expected by the World Bank financed Agriculture and Rural Development Project, which includes proposal for financing the cost of three qualified staff (one at state level and one in each of the respective entities) as base for the Agricultural Statistical Departments of MoFTER and Entities' Ministries of Agriculture.¹

A programme for the gradual and systematic improvement in Agricultural Information Systems (AIS) in both Entities and BiH as a whole is therefore required to cover data on productivity, import/export data, as well as sectoral data on financial, economic performance and market prices in order to generate a continuous flow of information to guide policy analysis and decision-making at all levels including an enhanced cross sectoral coordination between agriculture and statistics administration. With pressure being applied at a national level for a clearer picture of the current state of play for agriculture and rural sector generally in BiH, coupled with demands for greater transparency of the subsidy payments to farmers, an overall programme will be formulated for interventions from IPA 2007-2009 budget. The first phase of this programme to be implemented from IPA 2007 funds will be carried out to support the initial strengthening and harmonisation of the agriculture and rural sectors information system.

In view that responsibility for creation of administrative framework for the BiH Agriculture Information System will be assigned according to the new legislation to responsible State-level Ministry, it is expected that MoFTER will undertake the main coordination role in this project until the new MoARD is established. In close cooperation with BHAS, MoFTER will be in charge with formation of the BiH "Permanent Committee for Agriculture Information" (PCAI), as the vehicle through which the national system will be created in medium term. The basic structure of PCAI may be inherited from the MoFTER based working group to be created during the SEMSARD project with mandate to prepare first draft of the "BiH Agriculture Report for 2007". While the draft model of PCAI's composition is provided in Annex 4, the key beneficiaries institutions of this project will decide its final structure during the Inception phase.

Justification

Analysis of the structure and current capacities of the national institutions and bodies involved in information data collection and analysis for the agriculture and rural sectors in BiH revealed a number of weaknesses and short comings which regularly combine to constrain coherent development in the sector. The shortcomings also highlight the present failure to comply with a number of key requirements of the *acquis*;

- Lack of agricultural census;
- No Farm Registration and/or Client Register at State or Entity level;
- Lack of any Land Parcel Identification systems (EU regulation 1782/2003);

¹ A total of US \$ 300,000 has been allocated by WB to support this activity.

- Little monitoring of farm performance (FADN);
- No provision of market information (MIS);
- Absence of a functioning Integrated Administrative and Control System (IACS)

In addition, BiH needs to overcome institutional weaknesses and overlapping institutional competencies that seriously hamper the sectoral performance in following key areas:

- No standardised and harmonised systems and methodologies for data collection or analysis both at vertical and horizontal levels;
- Insufficient institutional capacity at regional and municipal level to collect raw data;
- Insufficient knowledge about basic production data at any level (farmers, land holding, production levels, profitability, marketing, livestock numbers, etc.);
- Low number of farms/enterprises with bookkeeping data (especially among small farms or individual producers);
- Confusing system of subsidy payments implemented at several different administrative levels with no coordination or cross referencing of payments or monitoring of effectiveness;
- General lack of knowledge at institutional level about the EU *acquis* requirements and international obligations in terms of the national and international reporting requirements;
- Absence of qualified and experienced staff (agro economists) able to analyse and transform available raw data into information relevant for the policy makers.

To support the BiH *acquis* approximation in this area, this project is designed as combination of overarching “horizontal” institutional capacity building component (aimed at designing an overall BiH Agriculture Information System), including provision of three relatively independent pilot data collection “pillars”: pilot agricultural census, pilot Farm Accountancy Data Network (FADN) and pilot sampling scheme. As such, the project will directly address the requirement of the EU approximation by supporting creation of agricultural administrative structures for design, implementation, monitoring and evaluation of agricultural policy in order to shift from product to producer support, to facilitate creation of integrated administration and control system and to provide data on agricultural land use, labour force, livestock, equipment and income, being the backbone of agricultural statistical system (EC Regulation 571/88 and amendments related to agricultural structures, CR 1782/2003 regulating Integrated administration and control system and number of EC regulations related to Accountancy Data Network).

The above project design is also aimed to support strengthening of administrative capacities at all BiH levels:

- national-(primarily MoFTER and BHAS)-to ensure their efficient co-ordination in collection, analysis, storage and reporting of information;
- entity level (Ministries of Agriculture and Statistics Agencies)-to undertake implementation of pilot activities and data collection;
- cantonal/municipal level-where the majority of the enumerators/surveyors will be located.

Much initial support and development will be required at the very base level in the Municipalities and at regional or Cantonal level where the majority of the enumerators/surveyors will be located. Infrastructure improvement, particularly through supply of Information Communications Technology (ICT) equipment on which survey materials can be collected and analysed will be key to rapid development and success of the project interventions. The World Bank Agriculture and Rural Development Project have committed to provide basic ICT resources to all Municipalities and regional/cantonal offices to support EU technical assistance outlined in this

proposal. Networks will be established to speed up the data flow system at all levels and three databases will be developed, one at State level and one each in the respective Entities.

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

3.2.1 Project impact

The implementation of this project across all of the BiH administrative layers is expected to bring the wide-ranging benefits and impact in following aspects:

- Sectoral reporting system in BiH will be greatly strengthened and BiH will be able to deliver more accurate and updated information on sectoral performance in view of its international obligations and a need for the sound agriculture sector strategy at a national level.
- The increased donors funding is also expected in view of possibility for better planning and monitoring of effectiveness of international assistance.
- Monitoring of BiH progress towards the meeting of EU approximation requirements is also expected to improve by availability of more accurate and reliable data in Agriculture Sector.
- However, the most important improvement is expected on BiH agricultural policy in view of requirement for monitoring and assessment of effectiveness of subsidy programme and other forms of support the agricultural sector. While the current activities on setting of administrative registers are encouraging signal on BiH readiness to adapt its structures according to the future acquis requirements, the majority of information collected in this way will be related to commercial farming, in view of the principle that only registered farmers will be entitled for governmental support. In order to assess sectoral performance in terms of its contribution to socio-economic development and to engage in redesign of support measures for improved effectiveness, information on production and performance of semi-subsistence and small farmers will be essential. Engagement in concrete pilot data collection activities is expected to enhance capacities of the BiH administration for definition of methodologies and techniques best tailored to include information collection from the various farming categories.

3.2.2 Catalytic effect and sustainability

Once accurate and reliable information is being generated, government agencies and donors alike will be able to assess the sector as a whole, the performance of support interventions and to track and forecast likely effects of policy programmes. This should allow reallocation of subsidy and other state interventions on a more cost effective and efficient basis.

Rural development policies at all levels will become more focussed, but access to such information at Municipal level will lead to better land use and natural resource planning.

The availability of the improved information, along with increased capacity for proper analysis and performance modelling (through training) will serve to illustrate how previous policies may

have been better formulated to be more effective in reaching intended targets with the likely result that more information is requested and further expansion and support is provided.

3.2.3 Cross border impact

Realignment of the sectoral statistical and information reporting by BiH in line with the EU *acquis* will serve to strengthening the BiH international negotiation position, such as those with the EU and WTO, in light of an enhanced transparency, accuracy and reliability of sectoral information.

A recent TAIEX performed assessment on status of Agricultural statistics in Western Balkans revealed that BiH is falling behind the region in this field across all the main progress indicators, including availability of registers, market information system and planning for the basic agricultural census. Improvement in sectoral reporting would contribute to enhanced common reporting on Western Balkans compiled by EUROSTAT.

Rural developments generally, coupled with gender and environmental issues, may also be more accurately forecasted and modelled. Support can also be targeted at encouraging vulnerable groups, young farmers and women to remain involved in agriculture and rural areas.

3.3 Results and measurable indicators:

- **Result 1:** *Data collection and network exchange system is strengthened at all levels with demonstrated capacity of the BiH administration to expand the standardised and harmonised collection, monitoring and analysis of agricultural statistical data on a national basis.*

Indicators:

- PCAI established with defined responsibilities and acting as the coordination body between the BiH administration engaged in agricultural statistics;
- Defined and agreed operational design of the BiH Agriculture information system in a participatory manner including methodological and resources requirements and institutional responsibility at all BiH levels;
- Prepared system for standardisation and harmonisation of information collection (standard census or questionnaire document) in both Entities which can then be fed into the national system (BiH);
- Approved standards, methodologies and methods for dissemination of information from the pilot census, FADN and sampling/survey
- Policy development begins to take account of pilot census results.
- Policy development at both Entity and State level begins to reflect situations identified in farm performance monitoring reports;
- Plans in place to expand and further develop the sampling and survey system.
- Agreed strategy for expansion of the system nationwide by using agreed methodology and unified standards.

Result 2: *Sectoral census data is collected and analyzed in selected pilot areas following establishment of unified systems and harmonised practices.*

Indicators:

- Information collection system will be harmonised across BiH allowing unified reporting of sectoral data and performance;

- Administration at Municipal, regional/Cantonal, Entity and National level equipped and trained for pilot census
- Data collection and network exchange system is strengthened at all levels, capacity and analysis capability improved, both horizontally and vertically;
- Sectoral census data is collected and analysed in selected pilot areas following establishment of unified systems and harmonised practices. Reporting system is in line with EU (and other international) standards for quality, reliability and presentation (format) of data and agreement to continue further expansion and improvement on a predefined timetable.

Result 3: *Farm performance monitoring system established and linked to a basic farm listing*

Indicators:

- Farm listing methodology established and operational at all levels;
- Adapted farm classification system accepted in line with EU standard procedures and agricultural census and FADN surveys initiated using agreed system;
- MoA Extension offices capable of implementing and monitoring the farm performance system with potential for expansion to full FADN;
- List of farmers established inline with agreed classification system.
- Farm performance monitoring providing valuable economic data to support economic analysis of sector performance and capability;

Results 4: *System of sampling/survey developed for a rapid availability of reliable baseline data for agricultural statistics by implementation of pilot sampling schemes.*

Indicators:

- Sampling frame techniques introduced, understood by selected counterparts;
- Unified agreement on farm classification system and other monitoring and reporting units in line with EU standard practice implemented, trained staff in place to implement system and in time verify sector census results;
- Pilot sampling schemes defined and implemented;
- Broad based accurate data available within the term of the project and being utilised to develop policy initiatives;
- Data analysis capacity updated and modernised;
- Standard operational guidelines and manuals prepared and introduced;

3.4 Activities:

The activities of this project are grouped in four horizontal components.

Horizontal component No. 1: Capacity building of institutions engaged in creation of the BiH agriculture information system (Implemented by TA Contract)

- 1.1. Support to the establishment and strengthening of co-ordinating role of (PCAI) at national level.
- 1.2. Formation and management of specific working groups (Agricultural Census, FADN and Sample Surveys).
- 1.3. Define basic features of the BiH Agriculture Information System
- 1.4. Agree on methodologies and standards for the pilot census, FADN and survey.

- 1.5. Define methods and procedures to ensure that policy measures will take into account the results of pilot schemes.
- 1.6. Define plans to expand and further develop the sampling and survey system.
- 1.7. Define strategy for expansion of the system nationwide by using agreed methodology and unified standards.

Expected output: Design of the BiH Agricultural Information System defined and agreed. Strengthened data collection and network exchange. Capacity of BiH administration to expand AIS on a national basis.

Component No 2: Development of a harmonised agriculture census – first phase
(implemented by TA contract)

- 2.1 Questionnaire design; structured on EU standards; design checklist responds to criteria of segment and multipurpose use, including professional/ financial fields;
- 2.2 Preparation of a questionnaire guideline for enumerators and supervisor;
- 2.3 Select and train the enumerators; identification of regional directorates, supervisors, settlement officers and enumerators - cascade training process, form the basic structure for future General Agricultural Census;
- 2.4 Definition of the interview districts; most difficult tasks in census design is the assurance of completeness, achieved by visiting each household in settlements with animal husbandry and for the rural settlements, creating urban interview districts;
- 2.5 Develop the list of farms and/or householders;
- 2.6 Questionnaire implementation on farm;
- 2.7 Quality control (on a farm sample);
- 2.8 Prepare data entry of questionnaires and checklists and database implementation;
- 2.9 Establish systems for reporting and data dissemination;
- 2.10 Implementation of a report on the results and recommendations for the future census design.

Expected output: Pilot agriculture census performed based on use of standardised questionnaires, methods and techniques applied during interview, analyses and dissemination of information.

Component No 3: Establishment of a farm performance monitoring system linked to a basic farm listing (Implemented by TA contract)

- 3.1 Definition of the already available farm list from the statistical office, and from the agricultural ministries of both The Entities;
- 3.2 Stratification of the Farm, according to the farm typologies classification;
- 3.3 Definition of the sample;
- 3.4 Definition and implementation of the FADN questionnaire.

Standard Gross Margin (SGM) calculation:

- 3.5 Assessment of the current classification system
- 3.6 Assessment of the existing data basis for SGM in B&H,
- 3.7 Calculation of SGM for major crops and livestock products in BiH inline with EU guidelines.
- 3.8 Use SGM as a basis for Farm Classification for FADN and the Farm Structure Survey
- 3.9 Elaboration of an approach for farm classification in line with, BiH and EU requirements.

Classification and analysis of data:

- 3.10 Assessment of the current sampling methods and the data classification in the FADN
- 3.11 Presentation of statistical sampling and stratification methods and the data classification according to EU FADN requirements
- 3.12 Training to carry out data sampling and classification of data according to EU FADN

requirements.

3.13 Elaboration of Standard Tables (according to the EU-approach) for presenting the results of the FADN.

3.14 Pilot activities

3.15 Annual reporting – Green Book

Expected output: Developed methodology and implementation of pilot farm performance monitoring and farm register system.

Component No 4: Development of a system of sampling/survey to rapidly develop a reliable baseline for agricultural statistics in line with European Agriculture Statistical Systems (Implemented by TA Contract plus supplies of surveying and mapping software)

4.1 Definition of the specifications for the purchase of basic hardware and software tools;

4.2 Conceptual design of the system: graphic-alphanumeric database (geo-database) to be used for framing, managing, collecting and processing data on the study area;

4.3 Development and installation of the information system with the contribution of local technicians;

4.4 Training of local personnel.

4.5 Prepare the frame materials, delineate frame limits;

4.6 Delineate areas covered with water, heavy forest, high mountains, national parks, military reserves and other non agricultural land, except urban areas;

4.7 Outline and measure urban and agro-urban areas;

4.8 Delineate agricultural strata;

4.9 Review of stratification;

4.10 Transfer strata boundaries to maps;

4.11 Construct area frame, transfer to maps.

4.12 Point frame design and point extraction and georeferenced;

4.13 Point photo interpretation;

4.14 Point field surveys (both land uses and yield productions);

4.15 Estimation data definition and collection from the municipalities agricultural extension advisors;

4.16 Data entry & statistical data elaboration at central level;

4.17 Data diffusion;

Expected output: Sampling methodology established; spatial sampling techniques utilised; procurement of equipment; accurate spatial and production data available from selected pilot regions;

3.5 Conditionality and sequencing:

Project implementation must also be conditional on the following;

- Agreement for establishment and role of PASC is a vital pre-condition for implementation;
- Agreement to adopt a harmonised or integrated methodology for conducting the survey and processing of results;
- Agreement between the Ministries and any Institutes or Agencies (e.g. Statistical Institutes) undertaking work on the pilots on behalf of the Ministries;
- Ministries provide adequate manpower resources in addition to support the pilot activities implemented – especially at Municipal level (data collection);
- Ministries give commitments to provide adequate financial resources to continue and extend the pilot projects;
- Collaboration with other projects (EU and other donors) is maximised – detailed linkages in next section.

- Availability of existing satellite image from the FBiH Agropedological Institute or orthophotos from the entities Geodetic Administrations procured from the Japanese grant.

Sequencing

As the need for accurate and reliable data on the agricultural sector is urgent, it is foreseen that this project should be able to proceed to implementation rapidly, by introduction of horizontal component number one aimed to streamline the overall process and provide guidance for implementation of individual pilot activities. The sequencing of the identified activities is likely to proceed with activities two and four being initiated in parallel and complementary to each other. Component no. two – “Development of an agricultural sector census pilot” will be a longer-term process that will take much time to prepare and implement. Component no. four – “Development of a system of sampling/survey to rapidly develop a reliable baseline for agricultural statistics in line with European Agriculture Statistical Systems” is an activity that will bring tangible results in a relatively short time frame which may be required to further illustrate the need for such information and create greater interest and impetus at high levels in both Entities.

Component no. three – “Establishment of a farm performance monitoring system linked to a basic farm listing” will also require less time to be effective and so therefore could be delayed slightly in implementation. However, as the aim is to achieve a number of performance monitoring surveys (covering all seasons and cropping systems), implementation should proceed quickly so that full seasonality can be covered during implementation. This is likely to be in line with availability of Entity Ministry of Agriculture Extension Officers at regional or municipal level.

3.6 Linked activities:

A number of other developmental activities are either underway or planned which have close relevance to the proposed project and complementarity and cooperation must be ensured at all levels to avoid confusion and replication of efforts;

- EC Support for Establishment of State Ministry of Agriculture and Rural Development (SESMARD) project is working at all administrative levels in BiH on aspects of the development of payment agency/IACS and a unified farm register. This activity will be supported and harmonised with any farm registry development in the proposed project.
- EC Support to the Statistics Sector of BiH – Phase III CARDS Twinning project that is only working on a limited scale in the agricultural sector on development of agro monetary indicators, including outline agricultural price statistics and is also providing training on adoption of EUROSTAT standards and brief training in former accession countries (Hungary and Slovenia). Experience gained in the training programmes will be used as a basis on which to develop further training and initial pilot activities in the proposed project. Other agro monetary indicators developed will be utilised in the proposed project to aid development of more accurate FADN and eventually to link to any longer term activity regarding market information (outside the scope of the current project but a longer term aim for development).
- World Bank financed Agriculture and Rural Development Project – the scope and activity range of this project is still being determined, but support for this proposal is available from WB to finance purchase of ICT equipment at Municipal level and regional/Cantonal level, along with establishment of network systems to speed up the process of collection and movement of data. This proposal (EU) will provide training and systems of operation to enumerators at Municipal level and WB will facilitate them through provision of essential ICT.

- SIDA Statistics Development in BiH (January 2007 to December 2009) has proposed a number of possible activities, including the possibility of development of FADN. Efforts must be coordinated between the two projects to build a unified system if SIDA does begin development of FADN (uncertain at present). Other activities include improved forestry and fisheries statistics.
- World Bank financed Land Registration Project – effective since April 2006 and seeks to facilitate the development of transparent land markets through the registration of real estate rights (predominantly in urban areas) and complementary policies that enable transactions to be made with security and efficiency. While not impinging directly on the proposed project, the establishment of proper cadastre and land registry is an allied activity to the aim of establishing a full-unified farm register and it is imperative that synergy is created between the two projects at an early stage.
- EC “Support to the Spatial Information Services”- aimed to improve administrative process and local governance related to land management and real property rights. Procurement of orthophotomaps and permanent GPS stations envisaged from IPA 2007-2009 funds. Project offers complementarity with this assistance in terms of the future Land Parcel Identification (LPIS) design and implementation.

3.7 Lessons learned:

Experience from previous EU assistance² and main recommendations of TAIEX assessment mission on Agriculture and Rural Development performed in 2005 are related to an immediate need for assistance to improve collection, compilation and utilisation of all forms of data in view of unavailable, non-reliable and non harmonised information on sectoral features and performance provided by the entities in course of assessment.

Ongoing projects operating at a BiH State level have experienced problems in the following areas:

- Lack of broad based political commitment to the state-wide development in absence of an agreement on constitutional changes.
- Experiencing slow project start up is mainly due to a lack of availability of suitably qualified and experienced counterpart or beneficiary staff, resources and insufficient support budgets.

In an attempt to develop a more unified and harmonised role for the state, this project proposes to implement activities at all administrative levels to ensure development of a mutually supportive and communicative network of inter-relationships and contacts coordinated at the centre. This will be further supported by the establishment of the “Permanent Agricultural Statistics Committee for BiH” which will include participants from all main implementing organisations in all Entities to develop proposals and resolve common problems for the benefit of all.

The risk associated to probability of slow start up are intended to be addressed by the early establishment of the “Permanent Agricultural Statistics Committee for BiH”, to help manage and resolve implementation problems for agricultural and rural sector statistics and information collection in BiH. In this case, counterparts and beneficiaries will be well aware of likely implementation timetables resource and support/counterpart staff requirements and have time to prepare adequate responses. The actions and support proposed by the World Bank financed Agriculture and Rural Development Project in the form of coordination and facilitation staff at State and Entity MoA levels, coupled with the supply of ICT equipment at all levels and the

²Evaluation of the Agriculture Sector aimed to assist IPA programming" was performed by the EC Delegation in April 2006 within the Commission framework contract.

development of Dbases and fast networks for information sharing (programmed for mid to late 2007)³ will also help to provide a framework for rapid start up and implementation of the EU TA based project.

4. Indicative Budget (amounts in €)

Activities	TOTAL COST	SOURCES OF FUNDING										
		EU CONTRIBUTION				NATIONAL PUBLIC CONTRIBUTION				PRIVATE		
		Total	% *	IB	INV	Total	% *	Central	Regional	IFIs	Total	% *
Contract 1.1: TA for Strengthening and Harmonisation of BiH AIS	1,300,000	1,300,000	100	1,300,000								
Contract 1.2: Procurement of IT equipment	50,000	50,000	100	x	50,000							
Contract 1.3: Procurement of GIS	20,000	20,000	1000	x	20,000							
Contract 1.4: Procurement of orthophotos/VHR images	130,000	130,000	100	x	130,000							
TOTAL	1,500,000	1,500,000	100	1,300,000	200,000							

* expressed in % of the Total Cost

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

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1: TA for Strengthening and Harmonisation of BiH AIS	Q1 2008	Q2 2008	Q4 2009
Contract 1.2: Procurement of IT equipment	Q2 2008	Q3 2008	Q1/2 2009
Contract 1.3 Procurement of GIS	Q2 2008	Q3 2008	Q1/2 2009
Contract 1.4 Procurement of orthophotos/VHR images	Q2 2008	Q3 2008	Q1/2 2009

All projects should in principle be ready for tendering in the 1ST Quarter following FA signature.

6. Cross cutting issues

6.1 Equal Opportunity

³ As agreed with World Bank mission of January 2007

Equal opportunity for participation of men and women will be assured in all aspects of project implementation. Contractors involved in the project will be required to provide monitoring data recording the participation of men and women in terms of expert inputs and trainee days as an integral component of all project progress reports.

6.2 Environment

The project will not have any negative environmental effects.

6.3 Minorities

Participation in the project activities will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, sex or sexual orientation.

ANNEXES

1. Log frame in Standard Format
2. Amounts contracted and Disbursed per Quarter over the full duration of Programme
3. Details per EU funded contract (*) where applicable:
4. Permanent Agricultural Statistics Committee and Working Groups Structure – Institutional Framework for agricultural statistics in BiH (general scheme)

ANNEX I: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche Project: Strengthening and harmonisation of the BiH agriculture and rural sectors Information System	Programme name and number	
Implementing Agency: Ministry of Foreign Trade and Economic Relations (MoFTER) and the Agency for Statistics of B&H (BHAS)	Contracting period) expires	Disbursement period expires
	Total budget: 1,500,000 €	IPA budget:

Overall objective	Objectively verifiable indicators	Sources of Verification	
Development of the BiH agricultural information structure in line with EU and other internationally accepted standards of information supply to aid sectoral policy and decision making processes.	<ul style="list-style-type: none"> • Adoption of information and reporting systems in line with EU standards by 2009 • Policy and decision making based on improved information supply from end of PY 1 onwards • Programme implementation assessed by national authorities and EU as successful • Sustainability of interventions post project 	<ul style="list-style-type: none"> • Official BiH agricultural and rural sector statistical reports • Available government policy for sector • EU country progress report (BiH) • Expansion of information systems 	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
The purpose of this project will be to address the immediate BiH needs for accurate, up to date and reliable agricultural data for the rural economy and agriculture sectors based on standardised and EU harmonised methods of data collection, recording and analysis developed during performance of pilot projects related to collection of information on agricultural production, farm economic performance and availability of accurate data from sampling survey.	<ul style="list-style-type: none"> • Harmonised system of information collection, analysis, reporting and presentation adopted and operational in both Entities and BiH by 2009 • Dedicated system for daily information exchange operational and capacity of beneficiaries strengthened in PY 1 • Annual publication of improved statistics and census results in line with EU <i>acquis</i> (Green book) from end of PY 1 onwards • Policy analysis improved and support programmes more targeted from end of PY1 onwards • Harmonisation of operating standards with EUROSTAT 	<ul style="list-style-type: none"> • MoA statistical reports • Minutes of meetings of Permanent Agricultural Statistics Committee for BiH • Official government policy and support programmes • Annual report on agriculture and rural sector (Green Book) • Contacts with EUROSTAT • EU reports 	<ul style="list-style-type: none"> • Unconditional commitment at all administrative levels • Availability of local staff at all levels • World Bank Support for ICT equipment • Farmers will understand benefits of FADN and agree to participate unconditionally • Government of BiH has funding available to continue activities post project
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
1. Data collection and network exchange system is strengthened at all levels with demonstrated capacity of the BiH administration to expand the standardised and harmonised collection, monitoring and analysis of agricultural statistical data on a national basis.	<ul style="list-style-type: none"> • PASC established with defined responsibilities and acting as the coordination body between the BiH administration engaged in agricultural statistics; • Defined and agreed operational design of the BiH Agriculture information system in a participatory 	<ul style="list-style-type: none"> • All beneficiaries operating harmonised system • Methodologies and guidelines available • Pilot results published • Pilot sampling confirms census validity 	<ul style="list-style-type: none"> • Entities are willing to cooperate with State organisations • Suitable calibre of staff available in Municipal and regional offices • Networks for rapid data flow can be

<p>2. Sectoral census data collected and analysed in selected pilot areas following establishment of unified systems and harmonised practices.</p> <p>3. Farm performance monitoring system established and linked to a basic farm listing.</p>	<p>manner including methodological and resources requirements and institutional responsibility at all BiH levels by end of PY 1;</p> <ul style="list-style-type: none"> • Approved methodologies and standards for 3 new pilot activities (census, FADN and sampling/survey); • System for standardisation and harmonisation of information collection in both Entities feeding into the national system (BiH) by end of PY 1; • Policy development takes account of census results beginning from 2009; • Entity and State level policy making harmonised and beginning to reflect situations identified in farm performance monitoring reports (10% of sector support funds allocated in line with performance monitoring recommendations); • Plans in place to expand and further develop the sampling and survey system in place with guaranteed financial support by end of PY2; • Agreed strategy for expansion of the system nationwide by using agreed methodology and unified standards; • Training of at least 5 State and 10 Entity staff in harmonised collection, monitoring and analysis of agricultural statistical data. <p>○ Pilot agricultural census prepared and completed by the end of 2009;</p> <p>○ Reliable and accurate sectoral information collection in line with EU and international reporting formats begins in PY1;</p> <p>○ Agricultural census methodology and procedural manual harmonised at all levels by PASC in PY 1;</p> <p>○ Training of 50 staff in census methodology and implementation;</p> <p>○ Publication of pilot census results by end of PY 2.</p> <p>○ Farm listing methodology established agreed and operational at all levels by end of PY1;</p> <p>○ Farm classification system accepted in line with EU standard procedures;</p> <p>○ Farm Performance Monitoring manual prepared and agreed;</p>	<ul style="list-style-type: none"> • Farmers list • Training reports • Continued support for programme from State and Entity budgets • MoFTER (MAFRD) and BHAS reports • Sectoral statistical information publications • Targeting of support policies <p>○ Manual approval;</p> <p>○ Census results;</p> <p>○ Official publication of results;</p> <p>○ Training reports;</p> <p>○ Monitoring reports.</p> <p>○ Agreed methodology available;</p> <p>○ Adoption of EU classification system;</p> <p>○ Manual approval;</p> <p>○ List of farmers registered;</p> <p>○ Pilot survey results;</p>	<p>established</p> <ul style="list-style-type: none"> • Continued support to allocate greater budget resources to expand activity • Future of MoFTER/MAFRD is resolved • Beneficiaries and partners fully committed and properly involved • Adequate staff levels and capability in key institutions • Staff can understand and appreciate training and information supplied • Results and benefits rapidly appreciated. • Availability of existing orthophoto or VHR satellite images at Agropedological Institute and/or orthophotos from Japanese grant
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<p>4. System of sampling/survey developed for a rapid availability of reliable baseline data for agricultural statistics by implementation of pilot sampling schemes.</p> <p>5. Data collection and network exchange system is strengthened at all levels with demonstrated capacity of the BiH administration to expand the standardised and harmonised collection, monitoring and analysis of agricultural statistical data on a national basis.</p>	<ul style="list-style-type: none"> ○Number of farmers listed and registered. ○At least 3 pilot surveys initiated and completed for farm performance monitoring in PY 1 and repeated in PY 2; ○MoA Extension offices capable of implementing and monitoring the farm performance system with potential for expansion to full FADN by end of PY 2; ○25 MoA Extension staff trained in data collection and operation of Farm Performance Monitoring; ○Farm performance monitoring providing valuable economic data to support economic analysis of sector performance and capability. ○Sampling methodology harmonised in PY 1; ○Pilot sampling schemes defined and implemented by end of PY 1; ○At least 10 pilot surveys completed; ○An operational guideline and manual prepared; ○Time for data collection, analysis and presentation of results reduced; ○Sampling frame techniques expanded and data analysis capacity updated; ○50 staff trained in sampling and survey methodology; ○Modified and targeted policy applied on a unified basis using farm listing/register by end of PY 2 ○Networked system of data collection and exchange established in PY 1 linking both Entities and State with Municipal level data collection ○Standard (harmonised) format agreed and implemented for basic data collection by end of PY1; ○Agreement on data storage between Entities and State; ○Training of 15 staff in data management and storage; ○Training of 100 staff in basic data collection and reporting; ○Agreed strategy for expansion of the 3 pilot systems 	<ul style="list-style-type: none"> ○ Project reports; ○ Training reports; ○ Economic analysis available to policy makers. ○ Methodology agreed; ○ Sampling schemes in place; ○ Survey results; ○ Manual approval; ○ Publication of statistical data; ○ Training reports; ○ Acceptance of data by EUROSTAT; ○ Project reports ○ Improved policy documents. ○ ICT equipment procurement and installation; ○ Project reports; ○ Harmonised documentation available; ○ Agreement verified at all levels; ○ Training reports and TNA; ○ Strategy document; ○ Project reports and government budget to support expansion. 	
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	nationwide using agreed methodology and harmonised standards; oPlans in place to expand and further develop the sampling and survey system by end of PY 2.		
Activities	Means	Costs	Assumptions
<p>1. Capacity building of institutions engaged in creation of the BiH agriculture information system</p> <p>1.1 Permanent Agricultural Statistics Committee for BiH with MoFTER and BHAS; 1.2 Support for establishment of PASC 1.3 Formation and management of specific working groups (Agricultural Census, FADN and Sample Surveys) 1.4 Strengthening of co-ordinating role of PASC at national level 1.5 Support to Component one 1.6 Support to Component two 1.7 Support to Component three 1.8 Training design and implementation</p> <p>2. Development of a harmonised agricultural census – first steps</p> <p>2.1 Questionnaire design; structured on EU standards; design checklist responds to criteria of segment and multipurpose use, including professional/ financial fields; 2.2 Preparation of a questionnaire guideline for enumerators and supervisor; 2.3 Select and train the enumerators; identification of regional directorates, supervisors, settlement officers and enumerators - cascade training process, form the basic structure for a future General Agricultural Census; 2.4 Definition of the interview districts; 2.5 Develop the list of farms and/or householders; 2.6 Questionnaire implementation on farm; 2.7 Quality control (on a farm sample); 2.8 Prepare data entry of questionnaires and checklists and database implementation; 2.9 Establish systems for reporting and data dissemination; 2.10 Implementation of a report on the results and</p>	<p><u>Technical assistance</u> Key Expert Long term (22 months) Key Expert Long term (22 months) Short term TA - FADN expert (4 months) Short term TA - SGM expert (4 months) Short term TA Expert in point sample frame design, implementation and elaboration (4 man months) Short term TA Expert photo interpreters and geo-statistical elaboration (3 man months) Short term TA - Trainer(s) in remote sensing, point frame techniques, geo-statistical data elaboration, and field surveys (5 man months)</p> <p>Supply contracts: Procurement of IT equipment Procurement of GIS Procurement of ortophotos/VHR images</p> <ul style="list-style-type: none"> •Municipal/regional level staff – enumerators, collators & analysts 	<p>1. Technical Assistance: 1,000,000 € 2. Number of man/months: 64 3. Investment (supply contracts): 200,000 € 4. Support from WB for ICT equipment and coordination staff: 300,000 \$ 5. Incidental expenditure (including cost of pilot projects, training (20 workshops) and 2 study tours: 300,000 €</p>	<p>Continued support of World Bank in provision of ICT equipment to support improved data collection and networking;</p> <p>Available government (or other) funding to continue to a full agricultural census.</p>

<p>recommendations for the future census design.</p> <p>3. Establishment of a farm performance monitoring system linked to a basic farm listing Pilot FADN:</p> <p>3.1 Definition of the already available farm list from the statistical office, and from the agricultural ministries of both The Entities;</p> <p>3.2 Stratification of the Farm, according to the farm typologies classification;</p> <p>3.3 Definition of the sample;</p> <p>3.4 Definition and implementation of the FADN questionnaire.</p> <p>Standard Gross Margin (SGM) calculation:</p> <p>3.5 Assessment of the current classification system</p> <p>3.6 Assessment of the existing data basis for SGM in B&H,</p> <p>3.7 Calculation of SGM for major crops and livestock products in BiH inline with EU guidelines.</p> <p>3.8 Use SGM as a basis for Farm Classification for FADN and the Farm Structure Survey</p> <p>3.9 Elaboration of an approach for farm classification in line with, BiH and EU requirements.</p> <p>Classification and analysis of data:</p> <p>3.10 Assessment of the current sampling methods and the data classification in the FADN</p> <p>3.11 Presentation of statistical sampling and stratification methods and the data classification according to EU FADN requirements</p> <p>3.12 Training to carry out data sampling and classification of data according to EU FADN requirements.</p> <p>3.13 Elaboration of Standard Tables (according to the EU-approach) for presenting the results of the FADN.</p> <p>3.14 Pilot activities</p> <p>3.15 Annual reporting – Green Book</p> <p>4. Development of a system of rapid sampling/survey to establish a reliable baseline for agricultural statistics in line with European Agriculture Statistical Systems</p>			
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<p>4.1 Definition of the specifications for the purchase of basic hardware and software tools;</p> <p>4.2 Conceptual design of the system: graphic-alphanumeric database (geo-database) to be used for framing, managing, collecting and processing data on the study area;</p> <p>4.3 Development and installation of the information system with the contribution of local technicians;</p> <p>4.4 Training of local personnel.</p> <p>4.5 Prepare the frame materials, delineate frame limits;</p> <p>4.6 Delineate areas covered with water, heavy forest, high mountains, national parks, military reserves and other non agricultural land, except urban areas;</p> <p>4.7 Outline and measure the urban and the agro-urban areas;</p> <p>4.8 Delineate agricultural strata;</p> <p>4.9 Review of stratification;</p> <p>4.10 Transfer strata boundaries to maps;</p> <p>4.11 Construct area frame, transfer to maps.</p> <p>4.12 Point frame design and point extraction and georeferenced;</p> <p>4.13 Point photo interpretation;</p> <p>4.14 Point field surveys (both land uses and yield productions);</p> <p>4.15 Estimation data definition and collection from the municipalities agricultural extension advisors;</p> <p>4.16 Data entry and statistical data elaboration at central level;</p> <p>4.17 Data diffusion.</p> <p>5.0 Institutional capacity support and strengthening</p> <p>6.0 Training / study tours</p>			
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ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project

Contracted	1st Quarter 2008	2nd Quarter 2008	3rd Quarter 2008	4th Quarter 2008	1st Quarter 2009	2nd Quarter 2009	3rd Quarter 2009	4th Quarter 2009	1st Quarter 2010
Contract 1.1		1.3 M							
Contract 1.2			0.050 M						
Contract 1.3			0.020 M						
Contract 1.4			0.130 M						
Total		1.3 M	0.2 M						
Cumulated		1.3 M	1.5 M						
Disbursed	1st Quarter 2008	2nd Quarter 2008	3rd Quarter 2008	4th Quarter 2008	1st Quarter 2009	2nd Quarter 2009	3rd Quarter 2009	4th Quarter 2009	1st Quarter 2010
Contract 1.1		0.1625 M	0.1625 M	0.1625 M	0.1625 M	0.1625 M	0.1625 M	0.1625 M	0.1625 M
Contract 1.2		0.03 M		0.02 M					
Contract 1.3		0.012 M		0.008 M					
Contract 1.4		0.078 M		0.052 M					
Total		0.2825 M	0.1625 M	0.2425 M	0.1625 M	0.1625 M	0.1625 M	0.1625 M	0.1625 M
Cumulated		0.2825 M	0.445 M	0.6875 M	0.85 M	1.0125 M	1.175 M	1.3375 M	1.5 M

ANNEX III: Details of EU funded contract

TA Contracts

1. Tasks expected from contractor

The contractor will supply all technical assistance identified as being required for the implementation of the project, including establishment and support of PASC and implementation of the three project components. Provision of training. Timely reporting of project implementation and progress.

Tasks:

- Coordination of project activities in line with agreed work plan;
- Ensure efficient and timely project implementation;
- Arrange training – both internally in the form of workshops, on the job training and externally on two study tours to accession countries and new EU member states;
- Oversee purchase of agreed inputs using approved methods and contracting systems;
- Installation and correct use of inputs in line with work plan;
- Undertake analysis and evaluation with project counterparts;
- Prepare reports in line with official EU reporting guidelines.

Results to be achieved:

- Harmonised system of information collection, analysis, reporting and presentation adopted and operational in both Entities and BiH
- Capacity of beneficiaries strengthened and information flow improved
- Publication of improved statistics and census results in line with *EU acquis*
- Policy analysis improved and support programmes more targeted
- Supply of information to EUROSTAT

2. Investment criteria:

2.1 Rate of return

No equipment will be supplied through this project, but assistance of World Bank to supply computer equipment will generate some small incremental costs for electricity and maintenance. Software will be supplied by this project for analytical purposes and this will be used on the computers. This should generate longer-term increases in national production by aiding more effective targeting of state support.

2.2 Co financing

The recipients will provide some co-financing for salaries of local staff that will be trained under the project. No extra additional staffs are proposed outside of those already employed. Other small scale commitment to financing will be necessary to continue production of the annual agricultural statistical reports (Green Book).

World Bank has agreed to provide co-financing for 3 support staff one each in MoFTER and Entity MoA to coordinate activities. Further World Bank support is pledged for computer and networking equipment to upgrade data collection and transfer facilities. Total value of this support is likely to be 0.7 MEUR.

2.3 Compliance with state aids provisions

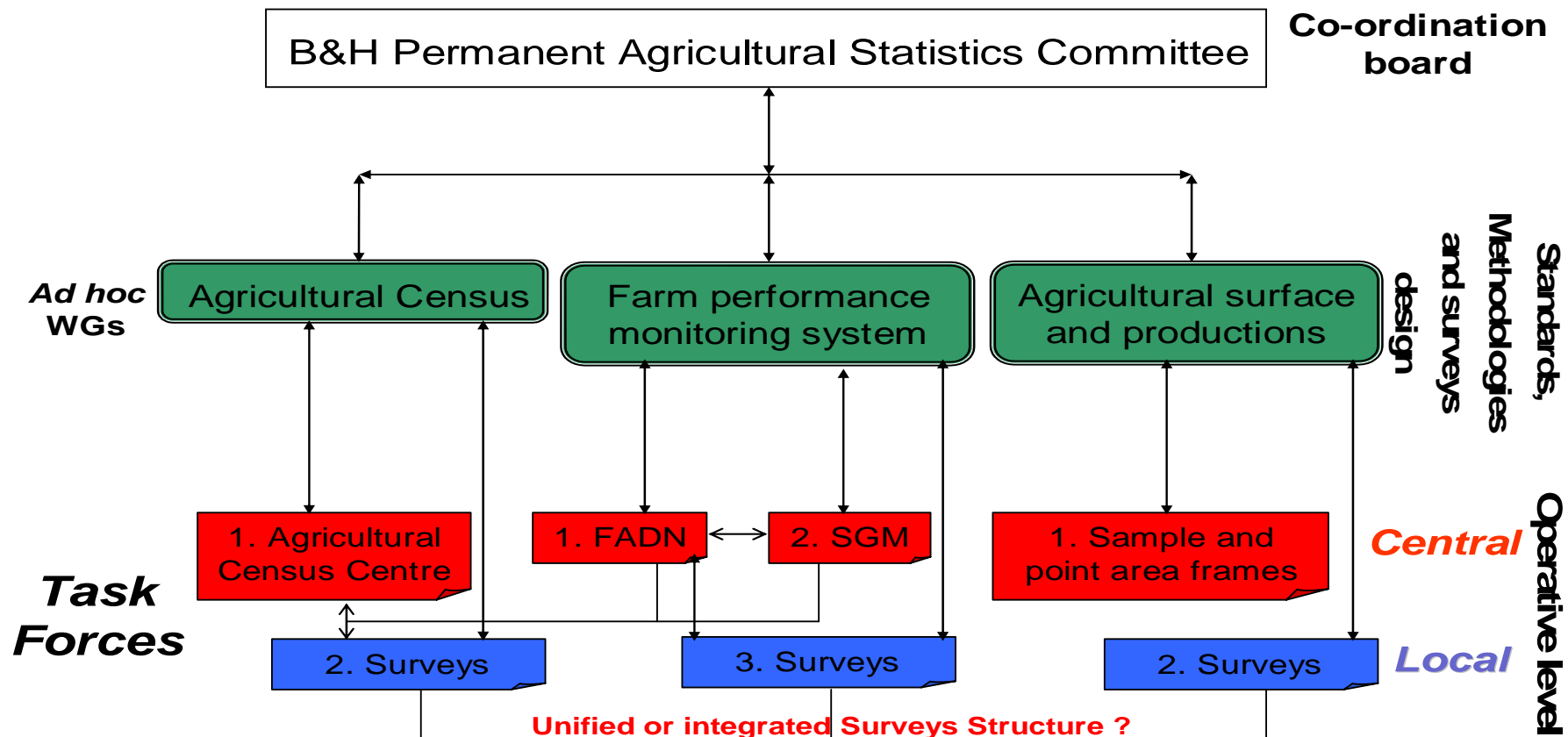
All investments will respect the state aid provisions of the European Agreement

2.4 Ownership of assets (current and after project completion)

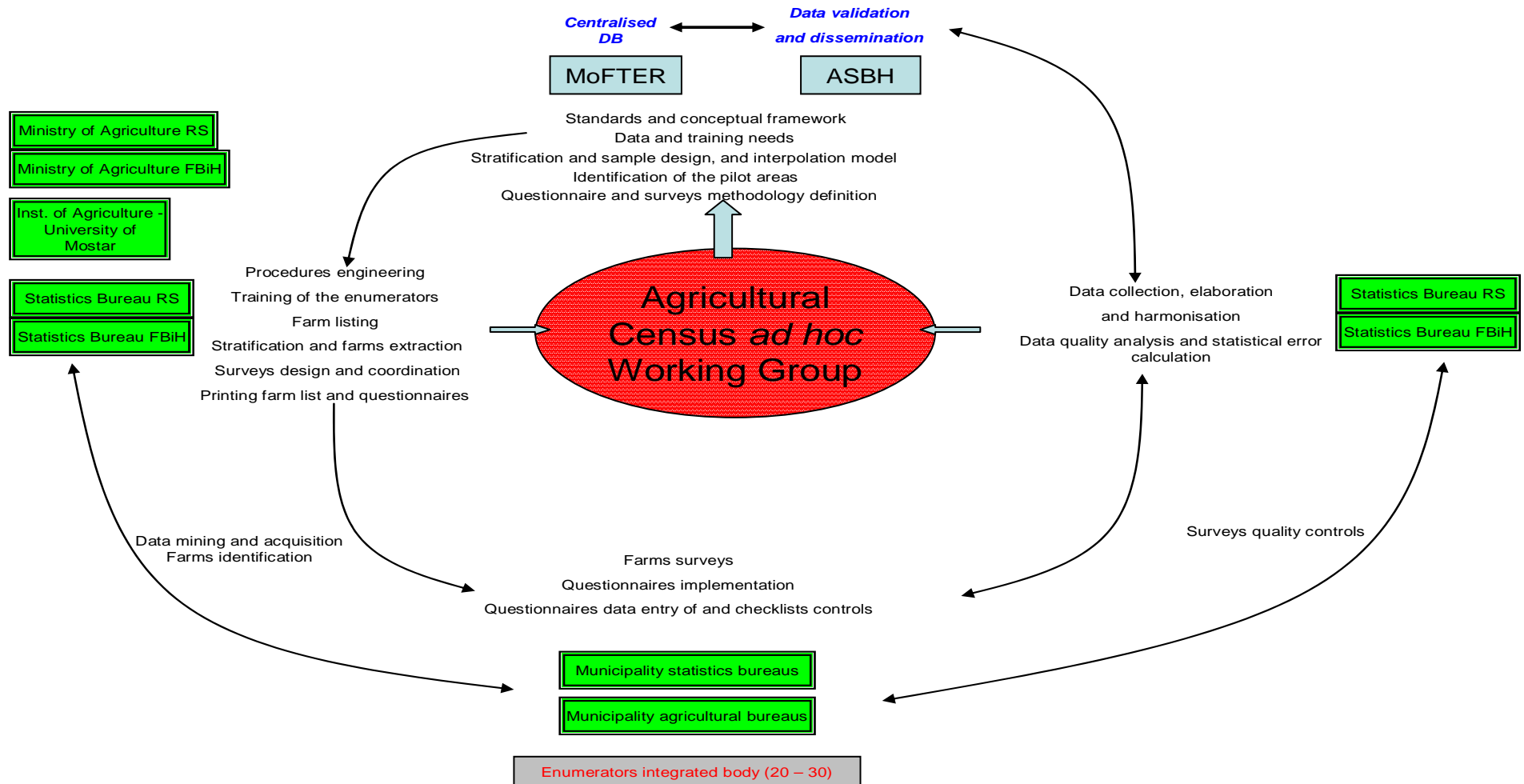
All assets will remain EU property until the end of implementation, after which ownership will be transferred to the recipients. Only assets to be transferred will be the software and the ortho-photo and or VHR satellite images.

No capital works are envisaged in the project.

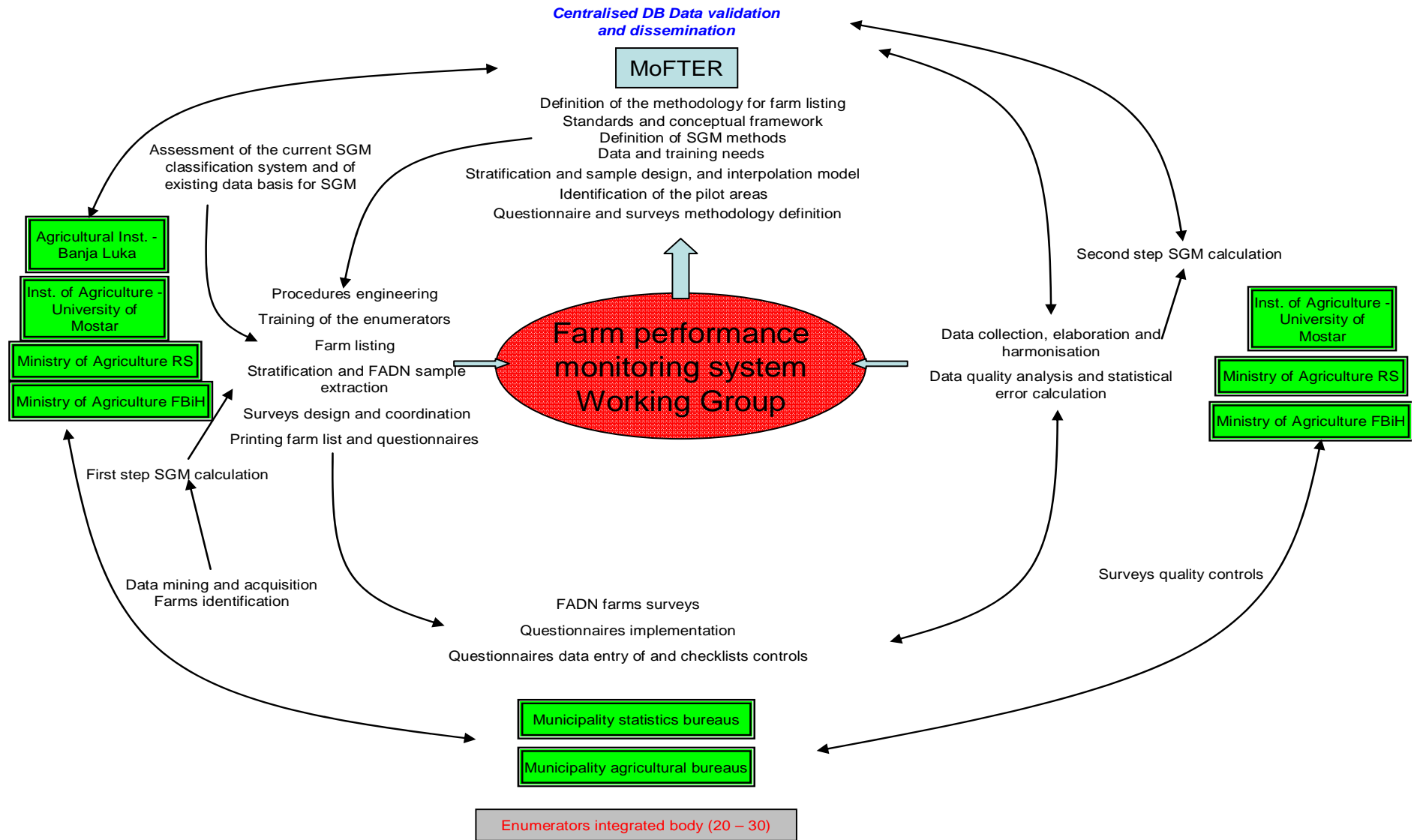
Institutional framework for agricultural statistics in B&H – General scheme



Pilot Agricultural Census Information Flow



Pilot Farm performance monitoring system Information Flow



Agricultural surface and productions Information Flow

