

STANDARD PROJECT FICHE

Transition facility programme for Romania

"Support to consolidate the Romanian Farm Accountancy Data Network (FADN)"

1. Basic Information

1.1 CRIS Number: 2007/19343.02.04

Twinning Contract light RO /2007-IB/AG/01/TL

1.2 Title:

Twinning light "Support to consolidate the Romanian Farm Accountancy Data Network (FADN)"

1.3 Sector:

Agriculture

1.4 Location:

Romania

2. Objectives

2.1 Overall Objective(s):

Elaborate better statistics on the financial performance for agricultural holdings in Romania and use them in the political decision making process.

2.2 Project purpose:

Improve the quality of the basic data and introduce suitable methods for analysing the economic situation in the agricultural sector.

2.3 Justification:

Romania has to collect data for the European FADN system, according to the Council Regulation on setting up a network for the collection of accountancy data on the incomes and business operations of agricultural holdings in the European Economic Community (Regulation No 79/65/EEC of the Council of 15 June 1965).

The implementation of the Romanian FADN is according to the plan, hence there were no comments on FADN in the latest comprehensive Monitoring Report.

The more detailed requirements to Romania will be presented during the early summer in a Commission Regulation amending Regulation (EEC) No 1859/82 concerning the selection of returning holdings for the purpose of determining the incomes of agricultural holdings.

During this meeting, it will be agreed to introduce FADN in Romania with an implementation period of 3 years, where the number of farms included will be increased from the existing 1,000 farms to 4,000 farms. Hence there is a need to strengthen the Romanian FADN organisation to these requirements.

Hereafter, the master plan for the Romanian FADN will be finalised and approved by an order of the Minister of Agriculture and Rural Development.

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3. Description

3.1 Background and justification:

The Romanian FADN organisation has been stepwise developed and expanded since 2002. Now data are collected in all counties of Romania. The first data to the European Farm Accountancy Data Network has to be delivered for the accounting year 2007. These data will be transferred during 2008.

An implementation period of 4 years has been agreed with the FADN Unit within the European Commission. During the implementation period, the number of approved accounts will be increased from 1,000 to 6,000, according to the plan in Table 1.

Table 1. Implementation of FADN in Romania

Accounting year	Number of approved accounts delivered to the FADN
2007	1,000
2008	2,000
2009	4,000
2010	6,000

At the moment, data are mainly collected from the 22,000 agricultural holdings keeping official accounts by appointed staff at DADR, i.e. the county offices of the Ministry of Agriculture and Rural Development. For the accounting year 2006, the appointed 55 data collectors have to collect data from 1,000 agricultural holdings. It is expected that this sample will be increased, so that 2,500 accounts will be approved by the accounting year 2010.

In addition, the Agricultural Advisory Service ANCA has started a pilot sampling from agricultural holdings not keeping official accounts. 24 data collectors are collecting data from around 120 farms. The sample is expected to be increased, so the number of approved accounts will be 3,500 by the accounting year 2010.

The Romanian FADN is coordinated and managed by the FADN Unit within the Ministry of Agriculture and Rural Development. The FADN Unit is appointed as the Liaison Agency.

Over the period 2005-2007, the Romanian FADN was further developed by the support of the Phare Twinning Project RO 2004/IB/AG/02 "Support to set up a Farm Accountancy Data Network (FADN)".

During the project, the official basis for the Romanian FADN was established. It is agreed to collect data from 6,000 agricultural holdings above the threshold 1 ESU. For the implementation period, Romania will be considered as 1 region. By 2010, it has to be decided if Romania will have more FADN regions and the sample size has to be evaluated.

The main challenges for the Romanian FADN over the coming years are connected with the consolidation of the organisation and the working procedures, especially:

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- Increase the sample from the existing 1,000 to 6,000 by 2010, especially identify and convince more than 3,500 farmers not keeping accounts to be included in FADN;
- Increase the staff at the Liaison Agency from the existing 4 to 19 over the coming year;
- Increase the organisation of data collectors from the existing 79 staff to around 160 staff;
- Introduce a new structure of the organisation with 8 regional coordinators;
- Implement the official EC testing procedures and secure the quality of data is sufficient to pass the tests within RICA 1.

Hence, there is a need for transferring best practice from Liaison Agencies in other EU Member States. The project has to support the consolidation of the Romanian FADN organisation and improve procedures in the collection, validation and processing of data.

Coordination with Structural and Cohesion Funds

This Twinning Light project is not linked with other EU instruments (structural funds and other post accession funds) and is not prioritised in other post-accession programmes. Therefore, it is not possible to obtain support for the proposed project activities from these funds.

There is no overlap with Structural and Cohesion Funds, notably Agriculture Funds.

The beneficiary and the Romanian authorities involved in this project will prevent any possible overlap with other EU funding, in particular RDF.

Measures foreseen in the framework of the present project will be closely and actively coordinated and monitored by the beneficiary and the Romanian authorities, in order to avoid any possible overlap with any possible similar measure that may be implemented through RDF.

3.2 Linked activities:

In the period 2005-2007, the Phare Twinning project RO 2004/IB/AG/02 "Support to set up a Farm Accountancy Data Network (FADN)" was implemented.

Within this project, the basic organisational structure was established, procedures for data handling at local and national level introduced and materials for data collection elaborated. In addition, the first data were transferred to RICA 1 and initial experience with the official EC tests obtained.

3.3 Results:

1. Improve and secure provision of adequate and reliable information on Romanian farming to the EU;
2. Strengthen the procedures and efficiency of the collection, transmission and verification of FADN data;
3. Strengthen the use of data at national and individual level and hereby secure the national co-financing of FADN and farmers' participation in FADN;
4. Train staff at national, regional and local level.

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5. Procedures for sharing gained experience will be established.

3.4 Activities:

For the twinning light project, the following activities shall be implemented

1. Support the sampling (identification and selection of farms), including convincing farmers.

The following activities shall be implemented:

- Identify main motives for different types of farms to be included in FADN;
- Elaborate promotion materials and campaigns to different target groups, especially farmers not keeping official accounts;
- Evaluate and improve the procedures for identification and selection of different types of farms, especially farms not keeping accounts.

The activity has to be implemented by one senior expert (Class 2) with the following profile:

- Knowledge and experience on planning and implementing campaigns on EU-related subjects to farmers;
- Experience in elaboration of promotion materials to farmers;
- Experienced in implementing campaigns in large organisations involving staff at different levels in the organisation (i.e. national, regional and/or local level);
- Knowledge on FADN;
- Experience in elaboration and implementation of FADN procedures;
- Fulfil the general requirements described below.

The activity is estimated to have a total duration of 4 weeks. The costs of this activity are estimated to 28,272 Euro.

2. Increase quality in data collected.

The following activities shall be implemented:

- Identify main problems for the data collected during 2007 and propose solutions for avoiding these problems in the future;
- Evaluate the existing questionnaires, manuals and supporting forms and propose improvements;
- Evaluate the existing tests and propose improvements;
- Evaluate the existing procedures at all levels within the organisation and propose improvements, in order to increase the quality of data collected.

The activity has to be implemented by two senior experts with the following profile:

- In-depth knowledge on the requirements to FADN data;
- Experience in validation of accountancy data for statistical purposes;
- Knowledge on use of the official FADN test-system RICA 1;
- Experience in elaboration, implementing and evaluation of tests;
- Experience in implementing procedures for improving quality of accountancy data;

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- One of the experts has to be Project Leader, coordinate all the activities in the project and participate in meetings in the Steering Committee.
- Fulfil the general requirements described below.

The activity is estimated to have a total input of 12 weeks. The duration of the activity is 8 weeks. Both experts will participate in 4 missions, while the remaining 4 weeks will be implemented by only one of the experts. The costs of this activity are estimated to 85,244 Euro.

- 3a. Elaborate forms for feedback to farmers not keeping official accounts and propose the procedures for successful implementation.

The following activities shall be implemented:

- Elaborate and test forms for feedback to farmers not keeping accounts;
- Propose efficient procedures to be used for the feedback to farmers, securing transfer of knowledge gained from the financial information.

The activity has to be implemented by one senior expert with the following profile:

- In-depth knowledge on FADN-data (definitions, methods and limitation in further use);
- In-depth experience in development and testing of new methods for providing financial information to farmers;
- Experience in elaboration of financial information to farmers;
- Experience in farm management;
- Experience in elaboration and implementation of procedures for elaborating financial information to farmers;
- Fulfil the general requirements described below.

The activity is estimated to have a total duration of 4 weeks. The costs of this activity are estimated to 29,272 Euro.

- 3b. Improve the statistical analysis on FADN data.

The following activities shall be implemented:

- Identify target groups for statistics;
- Identify the main gaps in the existing statistic and propose different solutions to overcome them.

Profile of the experts

The activity has to be implemented by two senior experts with the following profile:

- Experience and knowledge on development and implementing new statistical methods;
- Experience in analysing financial data on farms (preferably FADN data);
- Knowledge on different methods and models for analysing statistical information;
- Experience in elaborating analysis for policy purposes;
- Fulfil the general requirements described below.

The activity is estimated to have a total input of 5 weeks. The costs of this activity are estimated to 36,715 Euro.

4. Elaborate training materials and courses for different target groups within the organisation.

The following activities shall be implemented:

- Identify the different target groups and their training needs;
- Elaborate training materials.

The activity has to be implemented by one senior expert with the following profile:

- In-depth experience in planning and implementing of training;
- In-depth experience in elaboration of training materials for accountants and data collectors involved in FADN;
- Knowledge procedures and methods used in FADN;
- Fulfil the general requirements described below.

The activity is estimated to have a duration of 4 weeks. The costs of this activity are estimated to 29,772 Euro.

5. Establish a learning organisation.

The following activities shall be implemented:

- Identify information channels and dissemination methods to be used for dissemination of information (training, newsletters, internet-based information boards etc.);
- Establish procedures for collection and dissemination of gained knowledge and information.

The activity has to be implemented by one senior expert with the following profile:

- In-depth knowledge on FADN;
- Experience in analysing and implementing procedures for EU-related programs;
- Experience in analysing information flow in organisations;
- Experience in elaborating procedures for large learning organisations;
- Fulfil the general requirements described below.

The activity is estimated to have a total duration of 5 weeks. The costs of this activity are estimated to 35,715 Euro.

Short –term experts

The short-term experts will provide technical advice as regards the above-mentioned activities. The detailed expert input shall be established when drawing up the twinning work-plan. In general the short-term experts shall have the following profile:

All involved experts shall fulfil the following requirements:

- Have a permanent position within an FADN organisation in one of the Member States;
- Have at least 8 years experience from a Liaison Agency or other institution involved in the national FADN;
- Be fluent in English.

In addition, it is preferable if the experts have:

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- Experience in implementation of twinning projects in other new Member States;
- Experience in official working groups on FADN or Farm Accountancy.

All missions require interpretation from English into Romanian and vice versa. All materials have to be elaborated in English and translated into Romanian. Romanian documents might need translation into English.

The project is planned to be implemented with the involvement of 8 STEs. One of these has to undertake the role as Team Leader and coordinator. The profile of each of the experts is described above.

The duration of the project is 6 months.

4. Institutional Framework

The Romanian FADN is implemented and coordinated by the FADN Unit within the Ministry of Agriculture and Rural Development. The following institutions are involved in different aspects of FADN, according to agreements between the institutions (conventions):

- INS, National Institute of Statistics;
- ANCA, National Agency for Agricultural Advice;
- DADR (county Directions for Agriculture and Rural Development).

These institutions will provide the needed staff for the different activities within the project.

5. Detailed Budget

	Transition Facility support			Co-financing		
	Investment Support	Institution Building	Total Transition Facility (=I+IB)	Notional Public Funds (*)	Other Sources	TOTAL
Project 01 Twinning light	0.00	0.25	0.25	0.00	0.00	0.25
Project 01 Parallel cofin	0.00	0.00	0.00	0.02*	0.00	0.02*
Total	0.00	0.25	0.25	0.02*	0.00	0.27

* parallel co-financing. The Romanian administration for a good implementation of the twinning will be detailed in the twinning covenant and allocated under the Romanian budget

VAT is not an eligible expenditure under both the Transition Facility and national cofinancing funds indicated in the above budget table. Where contracts are subject to VAT due to provisions of national legislation, these funds have to be provided from national resource outside and in addition to the amounts indicated in the budget table.

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6. Implementation Arrangements

6.1. Implementing Agency

The Central Finance and Contracts Unit (CFCU) / Ministry of Finance

Contact person: Mrs. Carmen Rosu, PAO – General Director
Bd. Mircea Voda no. 44, sector 3
Bucharest, Romania
Tel: + 40-21-3265555
Fax: + 40-21-3268730

The Project Implementation will be technically supervised by PIU/Phare within MARD.

The beneficiary is the FADN unit within MARD

Contact person: Mihai Ignat
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Bucharest, Romania
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SPO name: Roxana Zarma, General Director – MARD
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Bucharest
Tel: +40-21-3072474
Fax: +40-21-3072622
E-mail: Roxana.Zarma@maa.ro

The Steering Committee of the project will have members appointed by:

- Ministry of Agriculture and Rural Development;
- ANCA;
- INS;
- CFCU;
- The Twinning partner;
- If identified: Other relevant institutions.

The Steering Committee will approve the progress reports and meets on a regular basis (quarterly), in order to review the project progress.

6.2. Twinning

The beneficiary institution is the Ministry of Agriculture and Rural Development

Proposed Project Leader: Mihai Ignat
Ministry of Agriculture and Rural Development
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E-mail: mihai.ignat@maa.ro

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The PIU within MARD will be responsible for the Project Implementation and with the coordination of project activities at all project stages.

Contact Person: Marisanda Piriianu
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6.3 Non-standard aspects

The Twinning Manual will be strictly followed.

6.4 Contracts

There is one Twinning Light contract of the total value of 0.27 million euro out of which 0.25 million euro EU funds and 0.02 mil Euro, national co-financing

Romania will contribute to the project in terms of local staff, office infrastructure and facilities, training facilities and transport within Romania of Romanian staff.

To ensure smooth implementation of the project, the beneficiary will provide adequately equipped office space with telephone, PC (Internet) and fax, copy machine and access to the necessary information, as well as secretarial support during the project life-time. In addition, the beneficiary will provide space and facilities for workshops (training), consultations and seminars. The national co-financing will be specified in the twinning contract.

7. Implementation Schedule

7.1 Start of tendering/call for proposals

April 2008

7.2 Start of contract

October 2008

7.3 Project Completion

March 2009

8. Sustainability

Resources in terms of staff and budget to secure the sustainability of the project after the finalisation will be ensured

9. Conditionality and sequencing

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format (compulsory)
2. Detailed implementation chart (optional)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (optional)
4. Budget
5. Lessons learned from previous years
6. Legislation

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Log frame
Transition Facility programme for Romania

LOGFRAME PLANNING MATRIX FOR Project Fiche			
Title of the project Support to Consolidate the Romanian FADN		Programme name and number 2007/19343.02.04	
		Contracting period expires: 15.12.2009	Disbursement period expires: 15.12.2010
		Total budget :0,27 MEuro	TF budget: 0,25 MEuro
Overall objective	Relates to Copenhagen criterion and acquis chapter¹	List of other projects with same objective	
Elaborate better statistics on the financial performance for agricultural holdings in Romania and use them in the political decision making process.	<ul style="list-style-type: none"> Regulation No 79/65/EEC of the Council of 15 June 1965, with later amendments Commission Regulation amending Regulation (EEC) No 1859/82, with later amendments 	RO 2004/IB/AG/02 "Support to set up a Farm Accountancy Data Network"	
Project purpose Improve the quality of the basic data and introduce suitable methods for analysing the economic	Objectively verifiable indicators OVI Component 1: The	Sources of Verification <ul style="list-style-type: none"> Official evaluation of the sample received in Brussels 	Assumptions <ul style="list-style-type: none"> Stable structures within the Romanian FADN

¹ Please specify here the recommendation made in Comprehensive Monitoring Report or other relevant documents (SIGMA (financial control, procurement, Peer Reviews, Evaluation reports, Final reports of TW projects)

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situation in the agricultural sector,	official selection plan is fulfilled for each of the accounting years 2007, 2008 and 2009 OVI Component 2: The productivity is increased for each of the years 2008 and 2009 compared with the previous year (average number of working hours per approved account is reduced by 10%) OVI Component 3: At least 25% of the participating farmers are evaluating the participation in FADN as valuable for them OVI Component 4: All staff involved in FADN trained by the end of the project OVI Component 5: Relevant procedures are established	<ul style="list-style-type: none"> • Official accounts and registrations within MARD • Questionnaires to participating farmers • Evaluation and test of trained staff 	organisation <ul style="list-style-type: none"> • Farmers interested in participating in FADN • No major changes in the foreseen EC requirements to the Romanian FADN
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
1. Improve and secure provision of adequate and reliable information on Romanian farming to the EU; 2. Strengthen the procedures and	1. The official selection plan is fulfilled for each of the accounting years 2007, 2008 and 2009 2. The productivity is increased for each of	<ul style="list-style-type: none"> • Official evaluation of the sample received in Brussels • Official accounts and registrations within MARD • Questionnaires to participating farmers • Evaluation and test of trained staff 	<ul style="list-style-type: none"> • Stable structures within the Romanian FADN organisation • Farmers interested in

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<p>efficiency of the collection, transmission and verification of FADN data;</p> <p>3. Strengthen the use of data at national and individual level and hereby secure the national co-financing of FADN and farmers' participation in FADN;</p> <p>4. Train staff at national, regional and local level.</p> <p>5. Procedures for sharing gained experience will be established.</p>	<p>years 2008 and 2009 compared with the previous year (average number of working hours per approved account is reduced by 10%)</p> <p>3. At least 25% of the participating farmers are evaluating the participation in FADN as valuable for them</p> <p>4. All staff involved in FADN trained by end of project</p> <p>5. Relevant procedures are established</p>	<p>participating in FADN</p> <ul style="list-style-type: none"> No major changes in the foreseen EC requirements to the Romanian FADN
Activities	Means	Assumptions
<p>Activities Component 1: Support the sampling (identification and selection of farms), including convincing of farmers</p> <p>Activities Component 2: Increase quality in data collected</p> <p>Activities Component 3: Elaborate forms for</p>	<p>TWL</p> <ul style="list-style-type: none"> Official evaluation of the sample received in Brussels Official accounts and registrations within MARD Questionnaires to participating farmers Evaluation and test of participants in training Project reports (mission reports and quarterly reports) 	<ul style="list-style-type: none"> Stable structures within the Romanian FADN organisation Farmers interested in participating in FADN

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feedback to farmers not keeping official accounts and propose the procedures for successful implementation Improve the statistical analysis on FADN data Activities Component 4: Elaborate training materials and courses for different target groups within the organisation Activities Component 5: Establish a learning organisation			<ul style="list-style-type: none">• No major changes in the foreseen EC requirements to the Romanian FADN
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• Annex 3a - Cumulative contracting schedule												
Meuro (TF plus co-financing)												
	31/03/0	30/06/0	30/09/0	31/12/0	31/03/0	30/06/0	30/09/0	31/12/0	31/03/0	30/06/0	30/09/0	31/12/0
	7	7	7	7	8	8	8	8	9	9	9	9
CONTRACTED Twinning light							0.25					
NB: All contracting should normally be completed within 6-12 months and must be completed within 24 months of signature of the FA.												

• Annex 3b - Cumulative disbursement schedule												
Meuro												
	31/03/0	30/06/0	30/09/0	31/12/0	31/03/0	30/06/0	30/09/0	31/12/0	31/03/1	30/06/1	30/09/1	30/09/1
	8	8	8	8	9	9	9	9	0	0	0	0
DISBURSEMENT Twinning light			0.05	0.15	0.25							
NB: All disbursements must be completed within 36 months of signature of the FA.												

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Annex 4 - Budget

Activity 1 Sampling			
Fee, Class 2 expert	20 days	350 euro/day	7000
PMC, 150 %			10500
Per diem	24 days	228 euro/day	5472
Flight tickets	4 tickets	700 euro/ticket	2800
Interpretation	20 days	100 euro/day	2000
Translation	50 pages	10 euro/page	500
Total			28272
Activity 2 Data collection			
Fee, Class 2 expert	60 days	350 euro/day	21000
PMC, 150 %			31500
Per diem	73 days	228 euro/day	16644
Flight tickets	13 tickets	700 euro/ticket	9100
Interpretation	40 days	100 euro/day	4000
Translation	300 pages	10 euro/page	3000
Total			65244
Activity 3a Feedback			
Fee, Class 2 expert	20 days	350 euro/day	7000
PMC, 150 %			10500
Per diem	24 days	228 euro/day	5472
Flight tickets	4 tickets	700 euro/ticket	2800
Interpretation	20 days	100 euro/day	2000
Translation	150 pages	10 euro/page	1500
Total			29272
Activity 3b Statistical analysis			
Fee, Class 2 expert	25 days	350 euro/day	8750
PMC, 150 %			13125
Per diem	30 days	228 euro/day	6840
Flight tickets	5 tickets	700 euro/ticket	3500
Interpretation	25 days	100 euro/day	2500
Translation	200 pages	10 euro/page	2000
Total			36715
Activity 4 Training			
Fee, Class 2 expert	20 days	350 euro/day	7000
PMC, 150 %			10500
Per diem	24 days	228 euro/day	5472
Flight tickets	4 tickets	700 euro/ticket	2800
Interpretation	20 days	100 euro/day	2000
Translation	200 pages	10 euro/page	2000
Total			29772
Activity 5 Learning organisation			
Fee, Class 2 expert	25 days	350 euro/day	8750
PMC, 150 %			13125
Per diem	30 days	228 euro/day	6840
Flight tickets	5 tickets	700 euro/ticket	3500
Interpretation	25 days	100 euro/day	2500
Translation	100 pages	10 euro/page	1000
Total			35715
Auditing			2000
Reserve			3010
Total budget			250000

Remark: All Liaison Agencies are Mandated Bodies. Hence, the fee for qualified experts will be 350 euro/day.

Annex 5 – Lessons learned from previous years

Note to the attention of the Head of PIU

Identified Gaps or Recommended courses of intervention ¹¹	Action for covering the Gap or implement the recommended intervention	Phare Programming (Project Reference)	Transition Facility
Need to strengthen the administrative capacity.	Training provided to the Ministry of Agriculture and Rural Development personnel tailored according to the training needs	Phare RO 04 IB/AG/02, Support to set up a Farm Accountancy Data Network (FADN), Twinning	
The network of data from farms is gradually being expanded.	Elaborate methods to expand the network (Motivation of farmers and sampling methods)	EuropeAid/122620/D/SUP/RO, Supply of Equipment for establishment and efficient operation of the Farm Accountancy Data Network, Supply	Support to consolidate the Romanian FADN, Twinning Light
(Comprehensive monitoring report, October 2005)	Expand the FADN organisation and train staff		
Not sufficient human resources in the Romanian FADN organisation			
(Master Plan for FADN)			
Limited technical capacity on processing data	Elaborate methods and procedures for improving the quality of data		
(Quarterly report)	Elaborate procedures for sharing of knowledge and information between different organisations		
Need for training of staff (especially data collectors)	Undertake training		
(Quarterly report)			