

Standard Summary Project Fiche for the Transition Facility

1. Basic Information

- 1.1 CRIS Number: 2007/019-303.03.05
- 1.2 Title: **Improving the efficiency of FADN via building up of an integrated IT system for data entry, control, validation and use at national and regional level**
- 1.3 Sector: Agriculture
- 1.4 Location: Agrostistics Directorate at Ministry of Agriculture and Food Supply in Bulgaria

2. Objectives

2.1 Overall Objective(s):

Efficient and sustainable FADN in Bulgaria guaranteeing the integrity of data collection, procession and analysis for the purposes of producing timely and reliable data on farm income

2.2 Project purpose:

Development of an integrated IT system for the FADN providing an easy, rapid and flexible tool for data entry, control, validation, analysis and use at national and regional level.

2.3 Justification

The experts' mission from DG Agriculture to Agrostistics Directorate as a Liaison Agency for the FADN which took place on the 12 of December 2006 aimed at evaluating the readiness of Bulgaria to fulfil requirements of Council Regulation 79/65EEC. Main findings of the experts were that Bulgaria will be able to send reliable data to the Commission. On the other hand in order to improve the quality of the data and to ensure the timeliness a more sophisticated and integrated IT system for the purposes of Bulgarian FADN is needed.

Phare Project EuropeAid/122069/D/SV/BG "Finalization and Improvement of Farm Accountancy Data Network (FADN) in Bulgaria" findings of the Inception Report: "The software used to analyse the FADN data is based on a programme "DECIDE" developed on MS-Access during a previous project. While the programme was probably adequate for the purposes of FADN when first designed, with time passing, it appears to be limited in functionality. The system appears to be designed only to fulfil the EU FADN table requirements but does not have any flexibility in manipulating data and providing other information".

Phare Project BG 0103.08 "Improving the Quality of Agricultural Statistics" recommendations from the Final Technical Report: "The future development of the Bulgarian FADN, especially with a rising sample size, will need a more sophisticated data entry programme, close to a standard accounting software, which will replace the work-intensive, manual data collection in the system."

3. Description

3.1 Background and justification:

The establishment of Bulgarian Farm Accountancy Data Network started in 2001 and went through different stages in order to ensure the full functioning of the network in compliance with EU standards. As a result in 2007 Bulgaria will be able to provide reliable data on income in agriculture collected from farms from all over the country according to a representative sample.

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The objective of the activities so far was to build up the administrative capacity needed to ensure the data collection and processing into the EU fiche and to ensure the data collection itself and the transmission to the European Commission.

For these purposes additional staff was recruited and trained but not additional supply of equipment was ensured. Considering the amount of work to be done and its constancy through the year FADN experts need to dispose with personal computers in an integrated IT system specially designed for the purposes of FADN.

The increasing number of experts in the FADN made necessary to create a special FADN experts' panel which is responsible for the internal management and reporting of the FADN in Bulgaria and its activities.

The Field of Observation for the FADN was defined and the sample was drawn. According to the EU methodology only agricultural holdings which production is oriented to the market are included in the field of observation for FADN (Regulation 79/65/EEC, 15.06.1965). In this way the field of observation for FADN is subtotal of units surveyed in the Agricultural Census.

The Agricultural Census in Bulgaria, carried out in 2003 provides the information that farms in the country are about 665 000. The average size of the Utilized Agricultural Area by farm is about 4.4 ha. On the basis of the typology results and the total Standard Gross Margin it was decided that the field of observation for FADN will include all farms of size of 1 Economic Size Unit (ESU) or more (about 157000 holdings). About ¼ of the farms are of size of 1 ESU or more. They provide 80% of the total SGM of the country.

In 2006 the FADN is entirely developed and it includes about 2000 agricultural holdings, according to the sample. The sample includes large number of farms without double side bookkeeping (about 1400) and in most of the cases these farms don't have any records of their activity. This implies different approach to farms without double side bookkeeping where farmers monthly fill in a farmer's diary. Specially trained experts visit these producers and fill the information in the statistical forms. The basic information is then transferred into EU fiche. The transfer into statistical forms and EU fiche are done manually by the experts, which is very work-intensive and increases the risk of errors.

Two data entry tools were developed under the previous Phare project. These tools allow doing the data entry but the data transfer is still done manually or with additional applications to them. Further more data need to be checked and tested for coherence into European Commission data control programme RICA-1.

The two tools are not a part of an integrated system to allow a direct link between data from the two types of farms and through the years which implies additional applications. Moreover they were not originally designed to output data for individual and group analyses.

On the other hand establishing of FADN through the years led to an increasing number of farms participating in the network (from 90 in 2002 to nearly 2000 in 2006) and therefore to even more work-intensive manual manipulations of data.

A considerable effort of this project to meet its objectives will be the provision of European assistance for setting up the integrated IT system for the purposes of FADN in Bulgaria and building the system up at regional and central offices of Agrostistics Directorate.

The IT system will have the following modules:

- Module for data entry and control of farms with bookkeeping;
- Module for data entry and control of farms without bookkeeping;
- Module for data transfer into FADN fiche compatible with RICA-1, including coherence tests and validation of the fiche;
- Module for preparation of individual farm results;
- Module for data analysis at national, regional and group level and through the years.

The IT system will have the following functionalities:

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- The modules mentioned above will be integrated in general data base containing common set of data for farms with bookkeeping and farms without bookkeeping and through the years;
- There will be three levels of access to the system: developer, administrator and user; the user will be subdivided in three levels: data collector, data validator and data analyzer;
- The IT system will establish a network between the 28 regional experts of Agrostistics working in the FADN, the 9 coordinators from Agrostistics at macro-regional level and the experts from central office of Agrostistics responsible for the functioning of the FADN

3.2 Linked activities:

Three Phare projects contributed to the development of the FADN:

1. Phare Project BG 0006.05 "Restructuring the Agricultural Statistics System" – Preparation for the FADN started by training of experts of central office of Agrostistics on the methodological aspects within this project. The experts are involved in the future implementation of FADN.
2. Phare Project BG 0103.08 "Improving the Quality of Agricultural Statistics" includes following activities: Analyses of the existing fiscal system in agriculture; Testing the most effective way to introduce the special accountancy information for FADN; Elaboration of 2 types of tools for FADN data collection for farms with double side and without double side bookkeeping; Testing the applicability of the tools, the quality of the farm returns and the farmer's expectation for back information in 60 farms. Definition of field of observation and sample drawn are the key results from the project and a basis for improvement and finalization of FADN. Other results of BG0103.08 related to the FADN development:
 - Concept for FADN development adopted
 - Questionnaires and Instructions elaborated
3. Phare Multicountry Programme on Statistical Co-operation ESTAT/FO/ 2000/2001, Contract No SFCC – 026/2002 "Statistical Work on establishing SGM's in Bulgaria" - Calculation of SGM's 2001 on national level. The SGM coefficients are applied to the Agricultural Census 2003 results in order to calculate the farm typology, to define the field of observation and to draw the FADN sample. The sample is completed in 2006.

A fourth Phare project is currently under way – Finalization and Improvement of Farm Accountancy Data Network (FADN) in Bulgaria (project number: EuropeAid/122069/D/SV/BG). Its purpose is to strengthen the capacity of Agrostistics team of MAF in order to be able to manage successfully FADN operation. The main activities under this project are technical assistance in data collection, control and analysis, explanatory campaign about FADN towards farmers and data users and transfer of know-how. In the framework of this project the documents used for data collection and the farmers' individual results will be finalized. The data control, validation, transfer into FADN format and analysis of the results by the end of the ongoing Phare project will still be done manually or using temporary tools for each operation.

In the TF project the manual forms finalized under the ongoing Phare project will be used as a basis for the data entry module and the farmers' feedback calculation module which need to be developed as a part of the integrated IT system for FADN. Special modules for data control, validation and analysis will also be developed under the TF project. The current contractor is not involved in preparing this fiche.

3.3 Results:

1. Setting up the FADN integrated IT system:

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1.1 Software designed, developed and tested allowing for immediate start of data entry, control, validation and analyzing;

The IT system with the following modules established:

- Module for data entry and control of farms with bookkeeping;
- Module for data entry and control of farms without bookkeeping;
- Module for data transfer into FADN fiche compatible with RICA-1, including coherence tests and validation of the fiche;
- Module for preparation of individual farm results;
- Module for data analysis at national, regional and group level and through the years.

The IT system with the following functionalities established:

- The modules mentioned above will be integrated in general data base containing common set of data for farms with bookkeeping and farms without bookkeeping and through the years;
- There will be three levels of access to the system: developer, administrator and user; the user will be subdivided in three levels: data collector, data validator and data analyzer;
- The IT system will establish a network between the 28 regional experts of Agrostistics working in the FADN, the 9 coordinators from Agrostistics at macro-regional level and the experts from central office of Agrostistics responsible for the functioning of the FADN

1.2 Network built up and tested establishing a network between regional, macro-regional and central level;

1.3 Complete manuals for software developers, administrators and users elaborated.

2. Experts successfully operate with the IT system.

3.4 Activities:

1. Building up of the IT system:

1.1 Design and development and test of the software;

1.2 Building of the network and test;

1.3 Elaboration of complete manuals for software developers, administrators and users.

2. Training of the experts for using the IT system.

3.5 Lessons learned:

The established FADN in Bulgaria in compliance with Council Regulation 79/65EEC of 15 June 1965 requires an adequate and efficient IT system providing an easy, rapid and flexible tool for data entry, control, validation, analysis and use at national and regional level and through the years.

The experience from the implementation of FADN so far has shown that the increased number of farms in the network and the need of information on farm income require simplification and improvement of the efficiency of the system of data collection, data entry and control.

The control and transfer of collected data into FADN fiche format (the format to be used when sending data to the EU Commission) being so far ensured by the central experts of Agrostistics Directorate is a heavy and time consuming activity. The progressively growing number of returning holdings makes it necessary to involve in FADN regional experts from Agrostistics Directorate at the 9 macro-regions as well as 2 additional experts at central level. This implies a need for an integrated IT system on regional and national level in order to ensure the coordination between different actors in FADN.

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4. Institutional Framework

The central division of the Agrostatistics Directorate at the MAF is in charge of concepts development, the organization, management and co-ordination of the agricultural statistical surveys and FADN, the statistical analyses of the results, the organization of the training, as well as of the contacts and reporting to European Commission. The Agrostatistics Directorate at the MAF has set up agro-statistics delegations in 28 regions, which are grouped in 9 macro-regions. The regional delegations conduct the surveys, capture the questionnaires and process them at regional level. They carry out the analysis of the results at the regional level, check data validity and make corrections, thus ensuring the quality of the data collected at the regional level.

With order of the Minister of agriculture and forestry Agrostatistics Directorate at the MAF was defined as a liaison agency with the European Commission concerning FADN issues.

- Three experts from central office Agrostatistics Directorate are responsible for the implementation of FADN.
- The 9 experts from the macro-regions ensure the coordination and data validation for the FADN.
- 28 regional experts from agro-statistics delegations and 28 regional experts from NAAS carry out the data collection for the farms participating in FADN.
- When necessary, surveyors are recruited to do the collection of FADN data from farms with bookkeeping.

The number of experts at different geographical levels corresponds to the amount of work to be done in the field of FADN and the project will not lead to any changes in the institutional framework.

All the experts are trained under previous Phare projects and will be additionally trained under the current Phare project - Finalization and Improvement of Farm Accountancy Data Network (FADN) in Bulgaria (project number: EuropeAid/122069/D/SV/BG). Under this TF project experts will be trained to use the new IT system for FADN. At the end of the project the software shall become a property of the project beneficiary.

5. Detailed Budget

€M	Transition Facility support			Co-financing			Total cost
	Investment	Institution Building	Total Transition Facility (=I+IB)	National Public Funds (*)	Other Sources (**)	Total co-financing of the project	TF plus co-financing
contract TA		0.225	0.225	0.075		0.075	0.300
Total		0.225	0.225	0.075		0.075	0.300

(*) contributions from National, Regional, Local, Municipal authorities, FIs loans to public entities, funds from public enterprises. All the co-financing is joint co-financing and will be provided from the state budget. The requested sum will be earmarked for the beneficiary institution in its budgetary appropriations for the year 2008-2009. In the case where the final overall cost is lower than foreseen in the project fiche, the national public and Transition Facility co-financing shall be reduced proportionally so as to maintain the agreed rate of co-financing.

(**) private funds, FIs loans to private entities

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6. Implementation Arrangements

6.1 Implementing Agency

The CFCU (Ministry of Finance) will be the Contracting Authority responsible for tendering, contracting, payments and financial reporting and will work with close co-operation with the beneficiary. The State Treasurer of the Ministry of Finance will act as PAO of the project. Her contact details are:

Ms. Gergana Beremska
PAO
Ministry of Finance
102, Rakovski Str., 1000 Sofia, Bulgaria,
Tel: (+359 2) 9859 2772
Fax: (+359 2) 9859 2773
E-mail: cfcu@minfin.bg

SPO:

Mr Dimitar Peychev, Deputy Minister
Ministry of Agriculture and Forestry
Address: 55 Hristo Botev blvd.
Sofia
Tel: 359 2 98511 240
Fax: 359 2 980 87 06
E-mail: d.peychev@mzgar.government.bg

The PIU at the Ministry of Agriculture and Forestry will be responsible for monitoring of project implementation and coordination of the activities at all stages of the project cycle. Contact details of the PIU:

Ms. Demina Bairaktarska
Director of European and International Programmes and Projects Directorate
Ministry of Agriculture and Forestry
Address: 55 Hristo Botev blvd.
Sofia
Tel: 359 2 981 6163
Fax: 359 2 981 75 42
E-mail: demina@phare-agr.orbitel.bg

The beneficiary will be the Agrostistics Directorate at MAF, which will be responsible for the implementation of the project.

The Terms of references for the service contract will be prepared by an independent expert contacted under Project Preparation Facility.

Beneficiary contact point:

Ms. Sevginar Mustafa
Director of Agrostistics Directorate
Ministry of Agriculture and Forestry
Address: 55 Hristo Botev blvd.
Sofia
Tel: 359 2 98511 142
Fax: 359 2 980 82 94
e-mail: agrostat@mzgar.government.bg

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A **Steering Committee (StC)** shall be established, comprising of representatives of the Consultant, Agrostistics Directorate, (and other stakeholders as necessary), Contracting Authority - CFCU, Phare Implementing Unit and National Aid Coordinator. StC will manage and monitor the proper project implementation. The Committee will meet regularly (at least on quarterly basis), in order to approve project reports and discuss future activities.

The project monitoring and control activities of the StC will be:

- Monitor progress;
- Compare achievement with plan;
- Detect problems;
- Initiate corrective actions;
- Authorize further work.

The **Steering Committee** meetings will convene on a quarterly basis for presentation of the Quarterly reports (QR) and also ad hoc, if there is a special issue raised, requiring a StC decision to be taken.

- 6.2 Twinning
n/a
- 6.3 Non-standard aspects
n/a

- 6.4 Contracts
Technical Assistance - service contract for building up of an IT system.

7. Implementation Schedule

7.1 Start of tendering/call for proposals: February 2008
Start of the PPF expert mission: December 2007
ToR elaborated: January 2008

7.2 Start of project activity: September 2008
The contract duration will be 9 months.

7.3 Project Completion: May 2009

8. Sustainability

After the end of the project the Beneficiary will ensure the maintenance and the administration of the IT system by specially appointed system administrator. All the Agrostistics experts working in the Farm Accountancy Data Network will be users of the IT system and will be trained within the project. After the end of the project the Beneficiary will assume regular meetings and trainings of these experts in the framework of the national FADN experts' panel.

9. Conditionality and sequencing

- FADN in terms of organization, sample size and data collection fully developed, operational and representative at national and regional level;
- Data collection forms finalized successfully by the end of the ongoing Phare project Finalization and Improvement of Farm Accountancy Data Network (FADN) in Bulgaria (project number: EuropeAid/122069/D/SV/BG).

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The project implementation does not depend on sequencing of components.

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ANNEXES TO PROJECT FICHE

ANNEX 1: LOGICAL FRAMEWORK MATRIX

ANNEX 2: DETAILED IMPLEMENTATION CHART

**ANNEX 3: CONTRACTING AND DISBURSEMENT SCHEDULE BY QUARTER FOR
FULL DURATION OF PROGRAMME**


ANNEX 4: LIST OF RELEVANT EU AND BULGARIAN LEGISLATION

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ANNEX 1: LOGFRAME MATRIX					Program name and number:	
Improving the efficiency of FADN via building up of an integrated IT system for data entry, control, validation and use at national and regional level					Contracting period expires:	Disbursement period expires:
					15.12.2009	15.12.2010
					Total budget: EUR 0.300 M	TF budget: EUR 0.225 M
Overall Objectives	Objectively Verifiable Indicators	Sources of verification	Assumptions			
Efficient and sustainable FADN in Bulgaria guaranteeing the integrity of data collection, procession and analysis for the purposes of producing timely and reliable data on farm income	<ul style="list-style-type: none"> Bulgarian FADN data validated and transmitted to DG Agri in the respective delays 	<ul style="list-style-type: none"> Reports of DG Agri Publications 				
Project purpose	Objectively Verifiable Indicators	Sources of verification	Assumptions			
Build up an integrated IT system providing an easy, rapid and flexible tool for data entry, control, validation, analysis and use at national and regional level	<ul style="list-style-type: none"> Integrated IT system for FADN operational by the end of the project Accountancy data from about 2000 farms for 2007 processed and validated by the IT system and transmitted to DG Agri by the end of the project 	<ul style="list-style-type: none"> Reports of DG Agri MAF, Agrostistics Directorate reports Publications 				
Results	Sources of verification	Assumptions				
1. Setting up the FADN integrated IT system: 1.1 Software designed, developed and tested allowing for immediate start of data entry, control, validation and analyzing; The IT system will have the following modules: <ul style="list-style-type: none"> Module for data entry and control of farms with bookkeeping; Module for data entry and control of farms without bookkeeping; Module for data transfer into FADN fiche 	<ul style="list-style-type: none"> Software designed and developed by the fifth quarter of the project; Software tested by the end of the project; Network built up and tested by the end of the project; Complete manuals for software developers, administrators and users elaborated, printed and disseminated to experts by the end of the project; 	<ul style="list-style-type: none"> MAF, Agrostistics Directorate reports Reports of DG Agri 	<ul style="list-style-type: none"> FADN fully developed, operational and representative at national and regional level FADN 2006 and 2007 data available. 			

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<p>compatible with RICA-1, including coherence tests and validation of the fiche;</p> <ul style="list-style-type: none"> - Module for preparation of individual farm results; - Module for data analysis at national, regional and group level and through the years. <p>The IT system will have the following functionalities:</p> <ul style="list-style-type: none"> - The modules mentioned above will be integrated in general data base containing common set of data for farms with bookkeeping and farms without bookkeeping and through the years; - There will be three levels of access to the system: developer, administrator and user; the user will be subdivided in three levels: data collector, data validator and data analyzer; - The IT system will establish a network between the 28 regional experts of Agrostatistics working in the FADN, the 9 coordinators from Agrostatistics at macro-regional level and the experts from central office of Agrostatistics responsible for the functioning of the FADN <p>1.2 Network built up and tested establishing a network between regional, macro-regional and central level</p> <p>1.3 Complete manuals for software developers, administrators and users elaborated.</p>	<ul style="list-style-type: none"> • 4 experts form Agrostatistics Directorate in central office trained by the end of the project; • 9 experts form Agrostatistics Directorate in regional office (coordinators) trained by the end of the project; • 28 experts form Agrostatistics Directorate in regional office trained by the end of the project; • 1 system administrator trained for the maintenance of the IT system by the end of the project. 	
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<p>2. Experts successfully operate with the IT system.</p>			
Activities	Means	Assumptions	
<p>1. Building up of the IT system 1.1 Design, development and test of the software 1.2 Building of the network and test 1.3 Elaboration of complete manuals for software developers, administrators and users. 2. Training of the experts for using the IT system</p>	<p>Technical Assistance Contract</p>		

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ANNEX 2: DETAILED IMPLEMENTATION CHART

Project title: Improving the efficiency of FADN via building up of an integrated IT system for data entry, control, validation and use at national and regional level

	2007					2008					2009				
Components	J	J	A	S	O	N	D	J	F	M	A	M	A	M	A
Contract TA									T	T	T	T	T/C	I	I

- T - Tendering
- C - Contracting
- I - Implementation

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ANNEX 3: CONTRACTING AND DISBURSEMENT SCHEDULE BY QUARTER

Project title: Improving the efficiency of FADN via building up of an integrated IT system for data entry, control, validation and use at national and regional level

	IVQ 2007	IQ 2008	IIQ 2008	IIIQ 2008	IVQ 2008	IQ 2009	IIQ 2009	IIIQ 2009
Contract TA Contracted				0.300	0.300	0.300	0.300	
Contract TA Disbursed				0.180	0.270	0.270	0.300	

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Annex 4: List of relevant Laws and Regulations

Project title: Improving the efficiency of FADN via building up of an integrated IT system for data entry, control, validation and use at national and regional level


Bulgarian legislation:

1. Law on statistics (State Gazette No 57/25.06.1999);
2. Memorandum of Understanding, signed on April 26, 1999 between the President of NSI and Minister of MAF.

EU legislation:

1. Council Regulation 79/65/EEC of 15 June 1965, setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Economic Community;
2. Commission Regulation (EEC) No 2237/77 of 23 September 1977 amending Regulation No 118/66/EEC on the form of farm return to be used for the purpose of determining incomes of agricultural holdings;
3. Commission Regulation (EEC) No 1915/83 of 13 July 1983 on certain detailed implementing rules concerning the keeping of accountancy for the purpose of determining the incomes of agricultural holdings;
4. Commission Decision of 7 June 1985 establishing a Community typology for agricultural holdings - Consolidated version (85/377/EEC).

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