

## STANDARD SUMMARY PROJECT FICHE

### BASIC INFORMATION

**1.1. Desiree Number**

BG 0201.02

Twinning code: BG02/IB-AG-01

**1.2. Title**

**Establishment of an Paying agency and preparation for setting up of IACS in Bulgaria and for the implementation of a pilot scheme by the Paying agency**

**1.3. Sector**

Agriculture

**1.4. Location**

Bulgaria

### 1. OBJECTIVES

**1.1 Overall Objectives:**

This project consists of two sub-projects.

**Sub-project 1:** The objective of this sub- project is the establishment of a Paying agency within State Fund Agriculture, which is consistent with EU requirements. At the initial stage the Agency shall be established within the framework of the human resources and the procedures of the agency. After the end of the project the Agency shall be operationally ready in terms of defined measures for support, structure and definition of responsibilities of the agency, operational procedures and job descriptions, trained staff for key positions. The established system has to be tested by the implementation of a pilot scheme. Additional equipment and IT system shall be financed under the next PHARE project.

**Sub-project 2:** The objective of this sub- project is the preparation for setting up of an Integrated Administration and Control System (IACS) in Bulgaria. The project shall result in a detailed technical specification for the setting up of IACS and trained staff of SFA. After the completion of this project, a second project under PHARE 2003 shall deliver the additional hardware, standard and special software and other technical equipment, which is necessary for the operation of the System.

It is envisaged that equipment for 1 150 000 euro shall be supplied under this project. The equipment shall include hardware and standard software for the Paying agency and IACS. A breakdown of the necessary items, which are intended for the headquarters and four pilot regions is provided in Annex 7.

## **1.2 Specific Objectives**

### ***1.2.1. Sub-project 1 - Paying agency***

- Definition of the measures for which direct payments are to be applied;
- Determining the mechanisms for direct payments and detailed procedures for the agency;
- Set up of an organisation structure within State Fund Agriculture to implement direct payments measures according to EU requirements;
- Define job descriptions and train staff for key positions;
- Advice for the preparation of key national legislation needed to implement direct payments measures;

### ***1.2.2. Sub-project 2 – IACS***

The final output of this sub-project is the preparation for a detailed needs assessment for required hardware and software and technical specifications for the setting up of an Integrated Administration and Control System (IACS) in Bulgaria and the training of staff of State Fund Agriculture for their operational responsibilities in relation to IACS. The integrated system shall comprise the following elements:

- a computerized integrated data base including the essential software and hardware, which ensures effective verification of compliance with the terms under which aids and premiums are granted.
- an administrative register of agricultural producers and holdings
- an alphanumeric identification system for agricultural parcels, established on the basis of land registry maps and documents, other cartographic references. Use shall be made of computerised geographical information system techniques including preferably aerial, spatial or satellite orthoimagery.
- an alphanumeric system for the identification and registration of animals;
- definition of application forms to enroll for CAP premiums, which include data concerning applicant, measures for application, area identification, crop parcels and animal stocks;
- integrated administrative and control system regarding the on-the-spot controls including risk analysis methodology and necessary software.

### ***1.2.3. Background and justification***

It is a political decision on national level to review financial mechanisms in the existing schemes financed by the Bulgarian national budget and implemented by State Fund Agriculture and start the development of a direct payments mechanism, which is appropriate for the Bulgarian situation. The targeted start of direct payments measures is 2004 and the schemes will be financed entirely by the national budget.

The intention is to build a fully operational Paying agency, which meets all EU requirements. Therefore, at the time of accession, Bulgaria will be in conformity with EU rules and the agency will be adequately staffed by experienced personnel. Foreign support provided under this contract will be an essential success factor for the achievement of this objective.

A SAPARD Agency was recently set up within State Fund Agriculture. SFA management and staff have gained experience in institution building and this know how can be utilised in the future effort to start with direct payments mechanisms following EU standards of performance.

The Paying agency shall function on the basis of legislation adopted under the responsibility of the Integration Policy Directorate of the MAF.

In accordance with Council Regulation 3508/92, each state shall set up an integrated administration and control system. Given the complexity of such a system and the large number of aid applications to be processed, it is essential to use appropriate technical resources, administration and control methods. The administration of the data collected and its use for the verification of aid applications make it necessary to set up high-performance computerized data bases allowing cross-checks in particular to be made. The introduction of IACS is a process, which requires a lot of resources both in terms of time and finance.

## **2. LINKED ACTIVITIES**

Relevant PHARE projects in this field that have already been implemented:

### **◆ BG9103-04 Technical Assistance to the Agricultural Marketing Information System**

BG9103-04-05/L001 - Subproject: technical assistance to SAPI and BAC

### **◆ BG 9806-01-03 - Administrative Reform and Alignment divided into two sub -projects :**

**BG 980601-03-01** – Twinning project on Support to the Administrative Reform and approximation of legislation.

**BG980601-03-02** – Technical Assistance to the Integration Policy Department – sector feasibility studies (cereals, dairy products, fruit and vegetables).

♦ **BG 9812 Support to the development of land markets in Bulgaria**

♦ **BG 9806 Improvement of veterinary control**

♦ **BG 9913-01 Improvement of veterinary control and animal identification**

♦ **BG9913-04 Restructuring of Agricultural Statistics**

♦ **BG9913-05 – Policy supported alignment – twinning**

- Support to the Administrative Reform and Approximation of Legislation in Agriculture and Forestry Sectors;
- Support the establishment and effective functioning of the Department “Analysis and control of fresh fruit and vegetables”;
- Technical Assistance to the Integration Policy Department – sector feasibility studies (meat, wine and fisheries).

♦ **BG0006.05 Restructuring of agricultural statistics**

The present project proposal reflects the PHARE policy emphasis on strengthening SFA’s institution building related to the development of implementation capacities of direct payments mechanisms.

### **3. Results**

#### **3.1. Sub-project 1**

The future Paying agency shall be responsible for administering, control, accounting and funding for and the direct payments schemes in Bulgaria.

Fulfilling the objectives should also result in:

- Decision on the measures for which direct payments will be applied;

- Defined measures for support of agricultural producers;
- Developed direct payments mechanisms and organisational structure according to EU requirements;
- Developed procedures manuals for the direct payments schemes;
- Job descriptions;
- Trained staff for key positions of the Agency;
- Compliance of the agency with the EU legislation concerning direct payments operations;
- Readiness of the Paying agency to implement a pilot scheme;

### **3.2. Sub-project 2**

The project shall result in the preparation of Technical specifications for the development of IACS and a needs assessment of the required hardware, software and communications and trained staff. The Technical specifications shall define in detail the stages that will result in the setting up of IACS in Bulgaria.

The Integrated Administration and Control System (IACS) shall comprise:

- a computerized integrated data base including the essential software and hardware linked with
  - ⇒ the administrative register of agricultural producers and holdings;
  - ⇒ the identification system for agricultural parcels;
  - ⇒ the alphanumeric system for the identification and registration of animals;

**Note:** The existing systems, which comply with European requirements, such as EUROVET for example, will have to be utilized as an integral part of the IACS system .

- making use of computerised geographical information system (GIS) techniques including aerial, spatial or satellite orthoimagery;
- establishment of a technical department within SFA, which is capable of analysing aerial, spatial or satellite orthoimagery and updating the GIS
- definition of application forms to enroll for direct payments;
- integrated administrative and control system regarding the on-the-spot controls including risk analysis methodology and necessary software.

## **4. ACTIVITIES**

### **4.1. Sub-project 1:**

#### **4.1.1. Legal background and preparation work:**

- Provision of relevant EU rules and guidelines
- Provision of procedures/guidance notes etc used in selected Member State(s)
- Guidance on the harmonisation of national rules to meet EU requirements [possibly phased]
- Guidance on the process of reform and integration of (existing) national arrangements into EU equivalent regimes [possibly phased]
- Definition of the measures for support of agricultural producers;
- Development of national legislation setting out regime conditions, coverage etc
- List of all key strategic requirements
- Practical training in direct payments mechanism/agency operations etc in EU member states;
- Organise workshops to develop administrative arrangements

#### **4.1.2. Institution Building**

- Proposals on organisational structure [phased]/staff competencies/job descriptions/staff resources of the State Fund Agriculture
- Training of SFA staff;
- IT needs assessment and requirements for special software
- Definition of responsibilities of all Bulgarian institutions to be involved in direct payments, evaluation of training needs, development of detailed timetable of outstanding actions to be completed by all institutions in order to prepare for implementation of direct payments measures

#### **4.1.3. Preparation for implementation of direct payments by State Fund Agriculture**

- Advice on content of procedures/guidelines/documentation for Agency staff /direct payments storekeepers/traders etc
- Development of a detailed strategy paper for the setting up of a Paying Agency at SFA

- Control arrangements and technical inspections
- Monitoring /record keeping/reporting/forecasting of payments
- Irregularities
- EU requirements for clearance of accounts
- Develop training programme and scheme publicity

#### 4.2. Sub-project 2

##### 4.2.1. Evaluation of the identification system for agricultural parcels and the alphanumeric system for the identification and registration of animals currently existing in Bulgaria;

- Assessment of the existing systems;
- Proposal for the incorporation of the existing systems into the future IACS system;
- Proposal for an organisational structure [phased]/staff competencies/job descriptions/staff resources for State Fund Agriculture, required for the administration of IACS;
- IT needs assessment and requirements for hardware and special software;
- Staff training

##### 4.2.2. Preparation of Technical specification for the development of a geographic information system on the basis of the centralized information database, which will be:

- making use of computerised geographical information system (GIS) techniques including aerial, spatial or satellite orthoimagery;
- establishment of a technical department within SFA, which is capable of analysing aerial, spatial or satellite orthoimagery and updating the GIS;

##### 4.2.3. Design of application forms to enroll for direct payments;

##### 4.2.4. Design of an integrated administrative and control system regarding the on-the-spot controls

- Preparation of written procedures for the execution of on-the-spot checks for direct payments including risk analysis methodology;
- Staff training;

Activities proposed under this project are as follows:

A twinning project to cover the objectives set in this project for the establishment of a Paying agency in State Fund Agriculture and preparation of technical specifications for the setting up of IACS.

#### 4.3. Supply of equipment for the Paying agency and IACS.

Beneficiary: State Fund Agriculture

Co-beneficiary: IPD in MAF (for the legislation component on direct payments)

Duration: 15 months

- Training will be undertaken following the example of a single Member State's Paying agency. The SFA's officials will be trained in order to identify the requirements of the agency in terms of human, financial and IT resources, in order to start up the implementation of direct payments and the setting up of IACS in Bulgaria. Visits of officials and executives in a selected Member State Paying agency to train SFA's staff are envisaged. These must be followed by visits of SFA's officials and experts to the selected Member State Paying agency in order the SFA's officials to acquire some practical knowledge and experience on the operation of an Paying agency.
- Continuing support to ensure Member State knowledge transfer for development of the necessary skills to apply the direct payments measures and mechanism. A detailed programme for a step by step restructuring of SFA and extending it into an Paying agency will be prepared. Short-term support will be provided according to the needs of the SFA. Advice on the implementation of the most appropriate for Bulgaria's direct payments schemes before accession in selected priority sectors will be supplied with a view of starting operations within 1 year. At the end of the project, the SFA staff will be prepared to implement them without foreign support.
- Approximation of legislation on direct payments

The IPD will be responsible drafting legislation needed for implementation of CAP measures and mechanisms.

By the end of the project, MAF will have identified and drafted the national legislation needed to operate direct payments mechanisms in all the key sectors, for which direct payments will be applied.

- Policy Analysis

IPD Policy Analysis Department will have the task of analysing the cost-effectiveness and economic efficiency of the direct payments measures to be adopted and implemented via national schemes administered by SFA. The analysis will include the impact of implementation direct payments mechanisms for the producers, consumers, taxpayers and national welfare. In addition, the Policy Analysis Department to the IPD will produce quarterly reports presenting the findings and recommendations of the analysis.



Short term assistance will be supplied to the IPD to advise the experts how to determine the main parameters (prices, the size of support, aids, etc.) that they will submit to the Paying agency.

## **5. INSTITUTIONAL FRAMEWORK**

The counterparts and beneficiaries of the projects are :

### ***5.1.State Fund Agriculture - SAPARD Agency (for both sub-projects)***

State Fund Agriculture /SFA/ is established in compliance with the Farmer Support Act as a legal entity with independent budget and regular sources of financing. SFA policy ensures preferential financing in agriculture, especially for investments in agriculture, market orientated agriculture production, development of private agricultural holdings and organizations, setting up of animal breeding farms and purchase of pure-bred animals.

State Fund Agriculture provides financial support for agriculture producers by means of subsidies, short – term and investment credits, financing of bank loans interests, guarantees, etc.

The existing SFA incorporates the units implementing the national schemes for support of agricultural producers and the newly accredited SAPARD Agency.

As of January 2002, State Fund Agriculture has 230 full time employees working at central regional and district levels. In the beginning of January 2002, 30 people were appointed at the central level as new staff for the SAPARD Agency. They will become full-time staff of SFA after the end of a three-month training and probation period. The administrative and organisational structure of the Fund is as follows: a Management Board, comprised by 9 members, a Chief Executive Director and two Deputy Executive Directors, Selection Committee, Operational Department, Financial Department, Investment Credits Department, Short-term National Schemes, Accounting Department, Internal Audit Department, Legal Department, Administrative department and IT Department. There are 28 regional offices in the administrative centers of Bulgaria (NUTS 3 level) and 6 District Offices (in Sofia, Plovdiv, Yambol, Varna, Pleven and Montana).

During the year 2000 State Fund Agriculture worked towards meeting the accreditation requirements of the European Commission to become a SAPARD agency. The accreditation timetable was completed by the issue of the National Act of Accreditation by the competent authority. The Commission decision for the conferral of management of aid was issued on 15 May 2001. This verifies that that the SFA has met the key accreditation requirements, described in CR 1258, CR 1663, CR 2222 and the Multiannual Financing Agreement.

### ***5.2.Integration Policy Directorate (for sub-project 1)***

The Integration Policy Directorate at the MAF is set up at the beginning of 1995. At present the Directorate has the general tasks to assist the pre-accession activity of MAF and to the process of implementation of the pre-accession instruments and CAP measures and mechanisms in the agricultural sector.

The detailed IPD tasks, using the resources of the Policy Advisory Department now incorporated in IPD are:

- To co-ordinate the work on harmonisation of legislation on agriculture and fisheries;
- To co-ordinate the work of the 18 MAF's Working groups on approximation of legislation including CAP/CMO market regulations.
- To prepare the documentation and requests of Bulgaria on agriculture in the multilateral WTO negotiations referring to customs tariffs;
- To assist MAF senior officials in formulating the agricultural policy and analyse the agricultural sector and provide urgent consultancy on ad-hoc basis;
- To inform decision-makers and senior officials at the MAF about the latest decisions of the EU Commission concerning the on-going pre-accession process;
- To take the responsibility for conformity of all undertaken by MAF policy measures with the commitments of Bulgaria under the Europe Agreement and other international agreements;
- To co-ordinate and participate in MAF Working Groups working on ad hoc tasks on integration policy issues, prepare MAF statements presented at high level meetings in Bulgaria and abroad.

## 6. DETAILED BUDGET:

*in Euro*

<b>Contracts</b>	<b>Investment Support (Supply)</b>	<b>Institution Building</b>	<b>Total Phare (=I+IB)</b>	<b>National Cofinancing</b>	<b>IFI</b>	<b>TOTAL</b>
<i>Twinning</i>	0.00	700 000.00	700 000.00	0.00	0.00	700 000.00
<i>Supply of equipment</i>	1 150 000.00	0.00	1 150 000.00	383 333.33	0.00	1 533 333.33

<b>TOTAL:</b>	1 150 000.00	700 000. 00	1 850 000.00	383 333.33	0.00	2 233 333.33
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MAF will also provide 25% co-financing in cash for the investment component of the project. The national co-financing will be covered from the national budget, and will include laboratory equipment, computers, etc. Detailed lists of equipment are available in Annex 6

The Phare contribution for the equipment will be 75% of its cost, with a maximum of Phare contribution of 1.15 MEuro. If the total cost of the equipment exceeds 1.533 MEuro, the extra support required will be provided by additional national co-financing. The additional national co-financing will be provided by:

- either allocating extra national funds to conclude a contract with the contractor proposed further to the completion of the procurement process following the Practical Guide to Phare, Ispa and Sapard Contract Procedures,
- or increasing of the cost of the on-going Phare financed contract via an addendum.

All running costs and the maintenance of the equipment purchased under this project will be provided by the Bulgarian authorities.”

## **7. IMPLEMENTATION ARRANGEMENTS**

### ***7.1.Implementing Agency***

The CFCU in the Ministry of Finance will be responsible for tendering and contracting of the project. The monitoring and control of the project implementation will be done by Phare Implementing Agency of MAF.

### ***7.2.Non-standard aspects***

No non-standard aspect is envisaged for tendering/contracting. DIS Manual will be strictly followed.

### ***7.3. Contracts***

700 000 Euro for twinning for the preparation of the detailed Terms of References is required. The technical assistance contract is envisaged with duration 15 months.

Second, there will be a supply contract for 1 150 000 euro.

## **8. IMPLEMENTATION SCHEDULE**

### ***8.1.Start of tendering/call for proposals***

Tendering for the project will begin in July 2002.

### ***8.2.Start of project activity***

The project will start in January 2003.

### ***8.3. Project Completion***

Disbursements are normally scheduled to be completed by 30 November 2005. But the last date allowed for disbursements will be 30 November 2006. This reflects the considerable complexity of IACS issues which has led to significant delays in other candidate countries with the consequent serious risk of slippage.

### ***9. Equal opportunity***

There will be an equal approach toward women and men in the project. The majority of IPD staff, and members of Working groups on pre-accession are women.

## ***10. Conditionality and Sequencing***

As a general condition, the project shall start after the completion of the Phare project, financed under 1999 (December 2001). In order to preserve the momentum in MAF all efforts shall be made for smooth continuation from one project to another, without gap between them.

Other conditionallities:

1. Availability of staff of SFA and the IPD to work with the contractor in the setting up of the Paying agency and IACS.
2. Availability of National financing for hiring of additional staff for SFA (Paying agency and IACS administration)
3. Availability of PHARE financing for the completion of the second phase of the IACS project (supply contract for hardware, software and technical equipment)
4. Possibility to use by the start of the project the information database from the operationally ready registers:
  - ⇒ the statistical register of agricultural producers and holdings;
  - ⇒ the identification system for agricultural parcels;
  - ⇒ the alphanumeric system for the identification and registration of animals.
5. The national budget provides the necessary funds to cover the administrative costs to run the Paying agency.

## ANNEX 1 LOGFRAME MATRIX

LOGFRAME PLANNING MATRIX FOR Project	Programme name and number	
<b>Establishment of an Paying agency and preparation for setting up of IACS in Bulgaria</b>	<b>Contracting period expires: Nov 2004</b>	<b>Disbursement period expires : Nov 2005</b>
	<b>Total budget: 2.233 MEuro</b>	<b>Phare budget: 1.85 MEuro</b>
<b>Overall objective</b>	<b>Objectively Verifiable Indicators</b>	<b>Sources of Verification</b>
<p>This project consists of two sub-projects.</p> <p><i>Sub-project 1:</i> The objective of this sub- project is the establishment of a Paying agency within State Fund Agriculture, which is consistent with EU requirements. At the initial stage the Agency shall be established within the framework of the human resources and the procedures of the agency.</p> <p><i>Sub-project 2</i> The objective of this sub- project is the preparation for setting up of an Integrated Administration and Control System (IACS) in Bulgaria.</p>	<ul style="list-style-type: none"> <li>• Agricultural exports to the EU increase substantially.</li> <li>• Investment in the Bulgarian agricultural sector increases substantially.</li> <li>• Income earned in the agricultural sector increased substantially.</li> <li>• The number of administrative staff per an effective farmer comparable with those in the EU.</li> <li>• Increase in the remuneration of the administrative staff in agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• Statistics of the National Statistical Institute</li> <li>• Eurostat</li> <li>• Progress reports of the EU Commission</li> </ul>

Specific Objectives	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Sub-project 1 - Paying agency  Sub-project 2 - IACS	<ul style="list-style-type: none"> <li>• Written reports;</li> <li>• A Paying agency set and prepared to operate.</li> <li>• Commitments under NPAA fulfilled and deadlines met.</li> <li>• Analysis on most appropriate for Bulgaria CAP schemes prepared.</li> </ul>	<ul style="list-style-type: none"> <li>• In regular report of the European Commission.</li> <li>• Periodical reports to the EU Delegation in Sofia, EU Commission and to policy-makers in the SFA and MAF.</li> </ul>	<ul style="list-style-type: none"> <li>• Political stability</li> </ul>

Activities	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Sub-project 1:  Legal background and preparation work:	<ul style="list-style-type: none"> <li>• Provision of relevant EU rules and guidelines</li> <li>• Guidance papers on the harmonisation of national rules to meet EU requirements [possibly phased]</li> <li>• Guidance papers on the process of reform and integration of (existing) national arrangements into EU equivalent regimes [possibly phased]</li> <li>• List of all key strategic requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Annual progress reports for the European Commission</li> <li>• Periodical reports to the EU Delegation in Sofia</li> <li>• Quarterly and final reports on the TA project</li> <li>• Reports of the Steering Committee on the project</li> </ul>	<ul style="list-style-type: none"> <li>• Political stability</li> </ul>
Institution Building	<ul style="list-style-type: none"> <li>• Proposals on organisational structure</li> <li>• IT needs assessment and requirements for special software</li> <li>• Definition of responsibilities of all Bulgarian institutions to be involved in direct payments</li> <li>• Preparation of procedures/guidelines/ documentation for Agency staff /direct payments</li> <li>• Development of a detailed strategy paper for the setting up of a Paying Agency at SFA</li> <li>• Training programme and scheme publicity</li> <li>• Application forms</li> </ul>	<ul style="list-style-type: none"> <li>• Annual progress reports for the European Commission</li> <li>• Periodical reports to the EU Delegation in Sofia</li> <li>• Quarterly and final reports on the TA project</li> <li>• Reports of the Steering Committee on the project</li> </ul>	<ul style="list-style-type: none"> <li>• Trained staff remains SFA employees</li> </ul>

Preparation for implementation of direct payments by State Fund Agriculture	<ul style="list-style-type: none"> <li>• Provision of procedures/guidance notes etc used in selected Member State(s)</li> <li>• Development of a detailed strategy paper for the setting up of a Paying Agency at SFA</li> <li>• Control arrangements and technical inspections</li> <li>• Monitoring /record keeping/reporting/forecasting of payments</li> <li>• Develop training programme and scheme publicity</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Annual progress reports for the European Commission</li> <li>• Periodical reports to the EU Delegation in Sofia</li> <li>• Quarterly and final reports on the TA project</li> <li>• Reports of the Steering Committee on the project</li> </ul>	<ul style="list-style-type: none"> <li>• Trained staff remains SFA employees</li> </ul>
Sub- project 2: Preparation of Technical specification for the development of a geographic information system on the basis of the CIDBDefinition of application forms to enroll for direct payments;	ToR for a computerised geographical information system (GIS) techniques including aerial, spatial or satellite orthoimagery	<ul style="list-style-type: none"> <li>• Annual progress reports for the European Commission</li> <li>• Periodical reports to the EU Delegation in Sofia</li> <li>• Quarterly and final reports on the TA project</li> <li>• Reports of the Steering Committee on the project</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of databasis for the land register, register of agricultural holdins, animal regigister and agricultural cadaster</li> </ul>
Design of an integrated administrative and control system regarding the on-the-spot controls	Written procedures for the execution of on-the-spot checks for direct payments uncluding risk analysis methodology	<ul style="list-style-type: none"> <li>• Annual progress reports for the European Commission</li> <li>• Periodical reports to the EU Delegation in Sofia</li> <li>• Quarterly and final reports on the TA project</li> <li>• Reports of the Steering Committee on the project</li> </ul>	<ul style="list-style-type: none"> <li>• Compatibility of databasis for the land register, register of agricultural holdins, animal regigister and agricultural cadaster</li> </ul>



## ANNEX 2 TIME SCHEDULE OF IMPLEMENTATION

**Title: Support to the approximation of legislation and assistance to the pre-accession strategy of MAFAR**

Component	2002							2003												2004											
	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
<b>Twinning</b>	P	T	T	T	T	T	T	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I									
<b>Supply</b>			P	T	T	T	T	T	T	C	I	I	I																		

P – Preparation

C - Contracting

T – Tendering

I – Implementation

## ANNEX 3 CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

**Title: Support to approximation of the legislation and policy advisory services to the SFA**

Total Budget: 1.85 MEUR

Year	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005
Quarter	I	II	III	IV	I	II	III	IV	I	II
<b>Twinning</b>										
Contracted	0,7	0,7	1,5	1,85	1,85	1,85	1,85	1,85	1,85	1,85
Disbursed		0,10	1,25	1,35	1,45	1,55	1,65	1,75	1,80	1,85

**ANNEX 4 REFERENCE TO FEASIBILITY STUDIES**

Feasibility studies for product groups – cereals, dairy products and fruits and vegetables, wine, fisheries, meat (output of Phare Projects **BG980601-03-02** – Technical Assistance to the Integration Policy Department and Phare ProjectBG99 – sector feasibility studies.

**Annex 5 Reference to Government Strategic plans and studies**

- National Plan for the Adoption of the Aquis (NPAA) – 2000
- National Plan for Agriculture and Rural Development
- Bulgaria's commitments under the Accession Partnership Agreement
- Chapter 7 Agriculture

## Annex 6

### Strategy for the setting up of a Paying Agency and IACS in SFA

<b>N</b>	<b>Action</b>	<b>Period of completion</b>
<b>I.</b>	<b>Paying agency</b>	
1.	Establishment of a Paying agency within State Fund Agriculture: Definition of the terms for financing of measures for support; Organisational structure and definition of responsibilities of the agency; Operational procedures and job descriptions, trained staff for key positions;	2003 - 2004
2.	Supply of equipment and IT system.	2004-2005
3.	Recruitment of staff and start of operations.	2005
<b>II.</b>	<b>IACS</b>	
1.	Development of a technical specification for the setting up of IACS and training of staff	2003-2004
2.	Supply of equipment and IT system.	2004-2005
3.	Recruitment of staff and start of operations.	2005

### Budget for the setting up of a Paying Agency and IACS in SFA

<b>Year</b>	<b>Amount in million Euro</b>	<b>Source of Financing</b>
<b>2002</b>	<b>2,233</b>	75% PHARE and 25% National cofinancing
<b>2003</b>	<b>3,31</b>	PHARE or NB
<b>2004</b>	<b>3,46</b>	PHARE or NB



**ANNEX 7****LIST OF EQUIPMENT, WHICH WILL BE SUPPLIED UNDER THIS PROJECT****A. Regional offices**

<b>Description of items</b>	<b>Amount</b>	<b>Price per unit in euro</b>	<b>Total euro</b>
PC's and accessories	2	2000	4000
Standard software	2	1000	2000
GIS	2	20000	40000
Communications	1	3500	3500
LAN	1	2000	2000
Set for Presentation utilities	1	9000	9000
Portable PC's+Software	2	4000	8000
Printers	1	1500	1500
Copy machines	1	7000	7000
GPS	2	25000	50000
<b>Total per region</b>			<b>127000</b>
<b>Total for four pilot regions</b>			<b>508000</b>

**B. Headquarters**

<b>Description of items</b>	<b>Amount</b>	<b>Price per unit in euro</b>	<b>Total euro</b>
PC's and accessories	15	2000	30000
Standard software	15	1000	15000
GIS	15	20000	300000
Server and accessories and software	2	110900	221800
Set for Presentation utilities	3	9000	27000
Portable PC's+Software	10	4000	40000
Printers	4	2000	8000
GPS	3	25000	75000
Storage area network	1	300000	300000
Communications	1	8500	8500
<b>Total</b>			<b>1025300</b>

<b>Total headquarters plus for pilot regions</b>	<b>1533300</b>
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