

**Standard Summary Project Fiche – IPA centralised National and CBC  
programmes**

**Agriculture / Animal Identification and Registration - Phase II**

**1. Basic information**

- 1.1 CRIS Number:** 2007/19300  
**1.2 Title:** Animal Identification and Registration - Phase II  
**1.3 Sector:** Agriculture 03.11  
**1.4 Location:** Republic of Montenegro

**Implementing arrangements:**

**1.5 Contracting Authority (EC)**

The Contracting Authority is the EC Delegation in Montenegro

**1.6 Implementing Agency:**

The Implementing Agency is the European Commission

**1.7 Beneficiary (including details of project manager):**

Veterinary Directorate of the Ministry of Agriculture, Forestry and Water Management

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**1.8 Overall cost:**

€1.5 million

**1.9 EU contribution:**

€1.4 million

**1.10 Final date for contracting:**

Two years from the date of the signature of the Financing Agreement.

**1.11 Final date for execution of contracts:**

Four years from the date of the signature of the Financing Agreement.

### **1.12 Final date for disbursements:**

Five years from the date of the signature of the Financing Agreement.

## **2. Overall Objective and Project Purpose**

### **2.1 Overall Objective**

Improve food safety standards for products of animal origin, animal health and veterinary public health.

### **2.2 Project purpose**

To support the development of the policy, regulatory and legislative framework that strengthens integrated Animal Identification and Registration (I&R) and to introduce a Veterinary Information System (VIS) up to EU standards;

To build the capacity at the various institutions involved in I&R of the bovine, ovine and caprine species and the Veterinary Information System (VIS), Veterinary Directorate (VD) and the Veterinary Inspections (VI) with links to the Diagnostic Veterinary Laboratory (DVL), the Veterinary Ambulances (VA), key markets and slaughterhouses).

### **2.3 Link with AP /NPAA / EP/ SAA**

European Partnership (EP): The Annex to Council Decision of 27 January 2007 on the principles, priorities and conditions in the European Partnership with Montenegro (2007/49/EC) lists as short term key priorities inter alia:

- the establishment of the legal and institutional set-up;
- the reform of the public administration;
- the strengthening of the European integration structures;
- the establishment of the legal and institutional set-up on standardisation.

The short term priority needs identified are:

- To continue efforts to align legislation with the EU veterinary and phytosanitary *acquis*;
- To prepare a system of animal identification and registration for bovines in line with EU requirements.

The medium-term priority needs identified are:

- To introduce European Standards in the internal market, in order to improve the free movement of goods;
- To further develop standardisation;
- To upgrade food processing establishments to meet EU requirements;

- To start action with a view to identification of sheep and goats and registration of their movements.

## **2.4 Link with MIPD**

Among the objectives of pre-accession assistance referring to European standards (chapter 1.2.3) the MIPD stipulates progressive alignment with the *acquis* enforcing the legislation related to the internal market and agriculture as well as integrated border management.

Among the components for transition assistance and institution building Chapter 2.2.3.1 lists as one of the main priorities and objectives the Development of capacities to implement EU food safety, veterinary and phyto-sanitary standards; as well as to implement international agreements in the field of public health (communicable and non communicable diseases). Chapter 2.2.3.2 requests, inter alia, trade related veterinary, phyto-sanitary and food safety legislation alignment to the EU *acquis*; increased capacity of veterinary and phyto-sanitary controls; increased awareness about rights and obligations on the side of producers and consumers.

Finally, Chapter 2.2.3.3 lists, inter alia, capacity building in the veterinary sector, legislative and management strengthening including training, raising public awareness of farmers, as well as provision of equipment and the development of an integrated food safety system. (See annex 3 for more details.)

## **2.5 Link with National Development Plan**

The Republic of Montenegro has not yet adopted a National Development Plan.

## **2.6 Link with national/sectoral investment plans**

The Agriculture and Rural Development Strategy of Montenegro recognises the main preconditions for enlargement of the common market in this field: Adequate and trained administration is needed; Improvement of competent veterinary authority responsible for I&R, including the databases is necessary; System of control at the place of origin to be established; Structures and control system on external borders to be improved (see annex 3 for more details).

# **3. Description of project**

## **3.1 Background and justification:**

### **General:**

Following a referendum held on 21 May 2006 the Republic of Montenegro declared its independence. Various conflicts and sanctions have had an adverse effect on the economy of Montenegro and in particular on the agricultural sector. Production is presently at a low level and has not yet had time to recover from the decline. Livestock and horticulture are the dominant activities in the agricultural sector and the main sources of livelihood in rural areas.

The latest statistics about Montenegro's farm livestock population date back two to three years. There were about 175,000 head of cattle in 2004, 254,000 sheep and goats in 2005, and 27,000 pigs in 2005. More than 99 % of the cattle, sheep and goats are kept in the smallholder sector and 18% of pigs are kept in larger commercial units. The cattle constitute 80 %, sheep and goats 16 % and pigs 4% of the total livestock in Montenegro.

Information about livestock production and productivity is weak. Most of the products of animal origin are consumed by the smallholder families. Slaughterhouses and private butcheries take only a minor fraction of slaughtering, so that the estimates of national production are not reliable. At best estimate about 22 to 25 % of cattle, 27 to 28 % of sheep and goats and 30 % of pigs are being recorded there.

### **Specific:**

Despite a sizeable programme by the VD of preventive veterinary measures to fight animal disease its effectiveness has been limited because of an inappropriate database for animal holdings and individual animals and their movements, and thus no easy access to the importance and distribution of animal disease. While the control of highly contagious diseases, such as foot and mouth disease (FMD) in cattle, sheep, goats and pigs and classical swine fever (CSF) in pigs, requires location specific information about the spread of disease, the fight against less infectious and vector-borne diseases such as tuberculosis, brucellosis and bluetongue requires farm and individual animal identification for effective control and/or eradication. I&R of animals in association with effective disease surveillance backed up by the Veterinary Laboratory will greatly improve the tracing of animal disease and facilitate easier eradication, both for the highly contagious and the less infective animal diseases.

The mission of the EC Food and Veterinary Office (FVO) to Montenegro in 2006 noted the benefits that could derive from I&R of farm animals and its linkage with animal disease surveillance.

The establishment of the I&R database in 2007 through the CARDS 2005 project 'Development and Implementation of an Animal Identification and Registration System' lays the foundation for an improved animal and disease tracing and control system. The CARDS programme has supported this project with about €0.8 million for consultancy services and €0.8 million for supplies. Following the start with bovine animals in the first phase, there is need to consolidate I&R operations pertaining to bovines and to prepare the expansion of the I&R system to other animal species, notably to small ruminants. Furthermore, there is a need to link up I&R with other veterinary information systems such as the animal disease surveillance programme.

To expand the I&R system to sheep and goats and to develop a VIS to include animal disease surveillance would establish a powerful and cost-effective instrument for animal disease control and eradication. Its implementation is planned over a two-year period from March 2008 to 2010 with consultant services costing about €1 million and supplies costing about €0.4 million, plus a Government contribution of €0.1 million for the census / first tagging campaign for sheep and goats.

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

#### **Project impact:**

The project will, for the first time, establish accurate statistics about the number of holdings keeping bovine, ovine and caprine animals, the number of animals kept and the herd structures. This, in turn, will improve information on herd prolificacy, livestock population dynamics, productivity in meat output, herd output and herd build up or decline. Monitoring the movements and destinations of the animals will, in addition, give a more accurate picture of production for subsistence, for the market, and of local or export production.

In addition, the I&R system establishes a closer link between the livestock keepers and the VA. The integration of the annual veterinary measures improves the effectiveness of both livestock keepers and the VA. In the case of an outbreak of a contagious disease, such as FMD, the system makes it possible to trace the disease back to its origin enabling more effective movement control, quarantine and stamping out measures. For less contagious or vector-borne diseases such as tuberculosis, brucellosis and bluetongue, the system makes it possible to trace the disease back to the individual farm and/or animal, thus making disease control and eradication both more efficient and less costly.

- **Catalytic effect:** Integrated I&R database, preventive veterinary measures and the animal disease surveillance programme makes the field activities of the VD more effective. The investments that have so far gone into the preventive veterinary measures and the Diagnostic Veterinary Laboratory will in future lead to more effective disease control and eradication, lower economic losses, and to more productive animals and more saleable products for the market. Furthermore, it brings the desired access to the EU market for Montenegrin animals and animal products a step closer. The project will lay the foundation for effective food safety management and control. Only if a slaughter animal is identified can it be traced back to its farm of origin and the steps it has taken from there to the slaughterhouse. Only if the slaughter animal (and its cuts and products) are labelled, is it possible to follow the product from stable to table.
- In order to be sustainable the system must fulfil the following conditions:
  - **Technically**, the system is supported by the established country wide system of private-public partnership between the VA carrying out the preventive veterinary measures in the field, and the VD contracting, supervising and controlling them. In future, the I&R activities will be added to the programme. Because of the very small holdings, the limited education and, frequently, the advanced age of the keepers, the VA have to act as agents for the VD and as intermediaries between the keepers and the VD in order to give the system a chance to succeed. Effective monitoring of the keeper activities and of the operations of the VA is essential to spot weaknesses and to correct mismanagement immediately for the sake of technical sustainability. As the technical benefits in the form of healthier and more productive livestock are not so easily recognisable on a smallholding, the project must be supported by a strong awareness campaign for the farmers.
  - The **financial** sustainability of the I&R and VI systems can be achieved through two Government interventions. First, once the I&R system is fully functional for the relevant species (say, after about five years), the keepers should be asked to contribute

to the recurrent costs of the system. Through stepped increase in cost recovery from the farmers and food industry there would be a gradual and smooth introduction of stakeholders to making contributions to a system that would then become financially sustainable. And second, in return the farmers would get the incentive to support the system by Government limitations to the payment of subsidies for slaughter animals and for milk to those keepers who fully comply with I&R and veterinary surveillance rules.

▪ **Cross border impact:**

The development of the I&R system in Montenegro sets up a new standard through admitting only identified animals to the market or slaughter. Once the national livestock population is identified and the system established, the illegal importation of unidentified livestock can be spotted easily and potential disease risks avoided. On the other hand, the access of animals and livestock products from Montenegro to neighbouring countries and to the EU will be made easier.

### **3.3 Results and measurable indicators:**

The project will have the following results:

**Result 1:** The bovine I&R system is strengthened and expanded to the ovine and caprine species, a veterinary information system (VIS) has been designed and detailed implementation, staffing and financial plans have been approved;

**Result 2:** The IT equipment, supplies and services for the project are delivered, installed and operational;

**Result 3:** Stakeholders and the general public are aware of the I&R and VI systems and all participants are fully aware of their obligations and are trained for their duties in the system. Visibility of EU and EAR assistance has been created;

**Result 4:** The I&R system comprising the bovine, ovine and caprine species is fully operational and accessible for other agricultural databases;

**Result 5:** The VIS is established and operational with respect to I&R of the bovine, ovine and caprine species and veterinary disease surveillance.

Further details, including measurable indicators, are provided in the log frame at Annex 1.

### **3.4 Activities:**

Many activities will have to be performed to achieve the five results referred to in section 3.3 above. As framework activities they include the concept and system design of I&R expansion and the VIS, the planning of institutional structures and organisational management, the formulation of business plans and provision of public finances in the Government budget, legislation including a Book of Rules for I&R of ovine and caprine animals and the formation of working groups.

IT hard- and software, office equipment, PDA and printed documents will be tendered through supply contracts. TA Project activities would include assistance in the tender preparation, evaluation and supplies acceptance, as well as adaptation, integration and training processes.

The supporting dissemination programme requires the preparation of training materials and handbooks, of forms and stakeholder printing materials, of materials to inform stakeholders and the general public via television, radio, newspapers and by other means, and to train stakeholders and participants.

The expansion of the I&R system from bovine to ovine and caprine animals will require a new design of the computer network and data flow architecture for the ovine and caprine animals, the holding census/1st tagging campaign, design of the on-farm registers and movement documents, data entry and provision of ear tags and print materials for incremental I&R work.

The build-up of the VIS would include the integration of existing organisations to be included (VD and central database, Diagnostic Veterinary Laboratory, VI and sources of disease surveillance and control data) its spatial and technical requirements, elaboration of the design, work and data flows, implementation plan, VIS pilot operation and roll-out.

Details are provided in Annex 1.

It is anticipated that the project will be implemented through one service contract (approximately € 1 million) with a duration of 18 – 24 months and 4 supply contracts (approximately € 0.4 million). The supply component will consist of 2 components: IT (approximately € 340,000) and ear tags/print materials (approximately €60,000). The EC contribution to the cost of service and supply contracts is 100%.

The beneficiary will contribute from its own sources €100,000 to the small ruminant holding census and the first tagging of small ruminants using its own procedures.

### **3.5 Conditionality and sequencing:**

The expansion of the I&R system to the ovine and caprine species and the integration of animal disease surveillance as a first step to developing a VIS are conditional on: the Beneficiary's support of the I&R and VIS strategies; the availability of VD staff and of finances for funding the incremental staff required in the I&R unit and Veterinary inspection of the VD; and expanded contracts with the VA.

Starting in project year 1, the Beneficiary is obliged to provide, as a support to the project, two (2) incremental staff members and operational funds for VD, estimated to cost about €100,000 during the period of project implementation.

The sequencing of project activities would be

-1<sup>st</sup>: the formulation of policies, design and preparation of project details of implementation plans including staffing, finances and legislation

-2<sup>nd</sup>: expansion of the I&R system to include ovine and caprine animals

-3<sup>rd</sup>: creation of a basic VIS through integrating, initially, the I&R with the animal disease surveillance system.

The sequencing of project implementation tools is: policy formulation, design and planning, preparation of training and publicity materials, tender preparation and follow-up, training and roll-out.

### **3.6 Linked activities**

At present the EC is the leading donor in this area.

The project will represent the second practical step in the development of animal identification, registration and movement control in Montenegro. The activities are complementary to the CARDS support provided through previous actions of the “Strengthening of the Veterinary and Phytosanitary Services of Montenegro” 2003 programme, as well as the “Development and Implementation of an Animal Identification System in Montenegro” 2005 programme including information system for Animal Identification and Registration. Specifically, this I&R project brought a quantum improvement on the completeness (every animal), precision (two ear tags) and registration (computer database) of animal identification in comparison to the incomplete system of the Livestock Selection Service of the MoA being applied before.

Other related programmes include the modernisation of dairy equipment and cattle import project. The MoA has undertaken the drafting of key legislation, supported by EU funded Programmes. In addition, other EC initiatives (e.g. TAIEX) in the sector enhanced the long-term capacity of Project Partners to maximise the benefits of the Programme outputs.

Other related OBNOVA and CARDS programmes previously implemented in Montenegro include:

- Food Security Programme, Equipment for milk testing laboratory;
- Food Security Programme, Technical Assistance to the Ministry of Agriculture, Forestry and Water Management of Montenegro;

The other donors who have been active in this field are:

- MEDNEM project, funded by Government of Luxembourg: Construction of a dairy processing plant and supply of equipment.
- The United States Department for Agriculture (USDA) in the biotechnology and food safety field, providing training opportunities including fellowships.
- Improvement of Dairy Sector, implemented by Land O’ Lakes, USAID funded. This project included managing USDA donations for some computer and laboratory equipment for the veterinary services.

Present/future actions of bilateral and multilateral donors in this field could be coordinated through their inclusion in the Project Steering Committees.



### 3.7 Lessons learned

Evaluation carried out in the sector highlights the need for permanent support to institutional building, legislative preparation and implementation as well as investment. The MoA/VD has to clearly identify institutional fragmentation, define responsibilities and align legislation with the *acquis communautaire*.

The drafting of the national legislation should be as close as possible to the EU texts. Additional temporary provisions should be established in such a way to allow a smooth and progressive implementation and enforcement of this legislation. A special team established in the Veterinary Administration should carry out the transposition of EU legislation into national legislation, including veterinarians, lawyers and interpreters working on the same subject.

The primary national I&R legislation and the regulations for cattle are already harmonised with the EU texts. But there were differences of opinion between the project legislation experts, supported by a highly competent working group, and the Secretariat for Legislation. Additional provisions required under this project are the application rules (secondary legislation) for sheep and goats and experiences from the earlier project should help to avoid any future problems.

Currently there is very little knowledge at working level about the specific subject. Training related to the subject matter is now being implemented. It has highlighted the difficulties of providing training in technically complicated matters to relatively poorly qualified staff. But the experience also demonstrates that it can be done if sufficient time and effort are invested, both at the I&R unit and VA levels. It is also evident that the veterinary inspectors are charged with incremental work because of I&R and that additional resources may have to be allocated in this field.

Based on experience gained elsewhere in the former Yugoslavia and in other IPA countries, the establishment and operation of I&R systems for farm livestock is a complex and difficult task. It is important to employ the VA as technical support to the farmers as the only country-wide network with outreach, in order to safeguard a functioning I&R system. In addition, the VA can be trained to carry out their work with PDA (hand held computers) which reduces the frequency of errors that occur with normal paperwork.

It must be borne in mind that the development of animal I&R is only a first step. More effective disease surveillance and consumer protection will come from an operational VIS as operated in several EU member states and other IPA countries.

### 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	1,000,000	1,000,000	100	100	0	0	0	0	0	0	0	0
contract 2	400,000	400,000	100	0	100	0	0	0	0	0	0	0
contract 3	100,000	0	0	0	0	100,000	100	100	0	0	0	0
<b>TOTAL</b>	<b>1,500,000</b>	<b>1,400,000</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100,000</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Contracts	Start of Tendering	Signature of contract	Project Completion
contract 1	Q2/2008	Q3/2008	Q4/2009
contract 2,3	Q4/2008	Q1/2009	Q1/2010

The beneficiary will contribute from its own sources €100,000 to the small ruminant holding census and the first tagging of small ruminants using its own procedures (contract 3, referred to under 4 above).

## 6. Cross cutting issues (where applicable)

The mainstreaming of the cross cutting issues is addressed on two levels:

- 1) How the internal policies, structure or operating procedures of the beneficiary will conform with or promote the cross cutting issues set out below
- 2) How the project's outputs (e.g. laws, regulations, policies, action plans, etc.) will address the cross cutting issues set out below.

### 6.1 Equal Opportunity

Gender equality: The programme will be gender sensitive and ensure access of women to resources and services (such as information on land ownership and customary inheritance laws, appropriate technology, training, access to new employment opportunities, etc.). Discrimination against women in terms of access to resources hamper the possibilities to move beyond subsistence farming, in which they play a major role in combination with their domestic responsibilities.

At the request of the Government office for Gender issues, information will be collected on the proportion of male and female keepers and the size of their herds, by municipality and nationally.

In general, gender needs will be considered as an analytical instrument, from programme design onwards.

### 6.2 Environment

Environment interface: development of the livestock sector and improvement of veterinary health shall also include measures of adjustment to higher standards of environmental sustainability (e.g., animal waste) as part of the development of agriculture which, in turn, fits Montenegro's aspiration of becoming an ecological state.

The project will have minor direct impact on the environment but mainly indirect ones:

- The database could identify too high concentrations of cattle which would lead to pollution through extraordinary immission of effluents into the soil and release of methane into the atmosphere, but in the absence of large cattle enterprises such as beef feedlots and large dairy cow units this is unlikely to occur
- The I&R system, in particular the database, will play a stronger indirect role in contributing to safer food: tracing the sources of food borne diseases through tracing back the animals to the sources of contamination and providing the basic information for remedial action

### **6.3 Minorities**

The programme will be sensitive on minority issues and will ensure access of all ethnic groups to resources and services.

In the areas bordering Albania there are ethnic Albanians farmers who speak their own language. Following consultations with the Ministry of Minorities of the Government of Montenegro, it has been agreed that information for these farmers will also be available in Albanian language.

## **ANNEXES**

- 1 - Log frame in Standard Format
- 2 - Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3 - Reference to laws, regulations and strategic documents:
  - Reference list of relevant laws and regulations
  - Reference to AP /NPAA / EP / SAA
  - Reference to MIPD
  - Reference to National Development Plan
  - Reference to national / sectoral investment plans
- 4 - Details per EU funded contract where applicable

## ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number: <b>Animal Identification and Registration - Phase II</b> IPA 2007	
		Contracting period expires: 2years from signing Financing Agreement	Disbursement period expires 5 years from signing Financing Agreement
		Total budget : <b>€1.5 million</b>	IPA budget: <b>€1.4 million</b>
<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	
1.Improve food safety standards for products of animal origin animal health and veterinary public health.	Development of food safety and veterinary institutions (Staffing, budget allocation)	Governmental reports, activity reports of relevant institutions	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
1. to strengthen and expand the concept, system design and implementation plan for an integrated animal I&R and Veterinary Information System	- Concept, policy, system design and implementation plan for an integrated I&R and VIS approved by the Beneficiary	Project documentation Budget allocations Office and staffing provisions	Government of Republic of Montenegro continues active support for capacity building in the veterinary sector
2. to strengthen and expand the I&R system in line with EU standards to comprise the bovine , ovine and caprine species, with the possibility of future expansion to other animal species	- I&R law amended (if at all necessary) and in force - Book of Rules for sheep and goats prepared and in force - Routine tagging covering the estimated number of 70 % calves born and to be registered under the I&R law and holding census and 1 <sup>st</sup> tagging of sheep and goats completed	Publication in official journal of the Republic of Montenegro  National I&R database at VD	Government and Parliament will not delay ratification Minister MAFWE and Secretariat of Legislation will contribute to speed enacting Project design and seasonal aspects will allow to terminate holding registration and 1 <sup>st</sup> tagging of sheep and goats before end of project
3. to design and implement the basic functionality of a Veterinary Information System comprising initially the I&R of animals of the bovine, ovine and caprine species, veterinary disease control systems, in particular animal disease surveillance and movement control serving the Veterinary Directorate and the Veterinary Inspections with links to the Diagnostic Veterinary Laboratory, the Veterinary Ambulances, key markets and slaughterhouses; the system will enable veterinary data to be communicated rapidly and accurately between the stakeholders, and permit data exchange with other agricultural management databases	- Report on the concept and system design for a Veterinary Information System (VIS) - VIS for three animal diseases implemented and operational	VIS reports and outputs	I&R project 1 <sup>st</sup> phase successfully implemented  Decision makers in MAFWE and VD giving full support  Political will and legal feasibility of premium payments

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
1. The bovine I&R system is strengthened and expanded to the ovine and caprine species, a veterinary information system (VIS) has been designed and detailed implementation, staffing and financial plans have been approved	<ul style="list-style-type: none"> <li>A concept and strategy for an integrated I&amp;R and VIS has been developed and approved by the Beneficiary</li> <li>The expansion of the I&amp;R system and establishment of the VIS are designed and have been approved by the Beneficiary</li> <li>Staffing and Financial plans for the expansion of the I&amp;R system and development of the VIS have been prepared and approved by the Beneficiary</li> <li>Existing legislation has been reviewed and new or amendment legislation including Tables of Correspondence with the EU acquis has been prepared and approved by the Beneficiary.</li> </ul>	<p>Project records and SC minutes</p> <p>Project records and SC minutes</p> <p>Budget allocations of the Government</p> <p>Amended I&amp;R laws and new Book of Rules for sheep and goats in force (Official Gazette)</p>	<p>MAFWE and VD agree on necessity of integrated I&amp;R and VD development</p> <p>MAFWE and VD agree on necessity of integrated I&amp;R and VD development</p> <p>Government continues to support the improvement of I&amp;R, animal health improvement and food safety efforts</p> <p>Government and Parliament continue to support I&amp;R, animal disease eradication and food safety efforts</p>
2. The IT equipment, supplies and services for the project are delivered, installed and operational.	<ul style="list-style-type: none"> <li>The IT hard and software for the I&amp;R of sheep and goats have been tendered, contracted, delivered, tested and are fully operational</li> <li>The software for the VIS covering the animal disease surveillance for the three diseases included in the preventive measures has been developed, tested and installed and is fully operational</li> </ul>	<p>Project and I&amp;R unit test reports , SC minutes</p> <p>Project and VD test reports, SC minutes</p>	<p>IT supply contracts properly executed</p> <p>Preventive measures already properly documented, requirement mainly database development and integration</p>
3. Stakeholders and the general public are aware of the I&R and VI systems and all participants are fully aware of their obligations and are trained for their duties in the system. Visibility of EU and EAR assistance has been created. The equipment, supplies and services for the project are delivered, installed and operational.	<ul style="list-style-type: none"> <li>Dissemination plans for the I&amp;R system and VIS have been prepared and approved by the Beneficiary and the EAR</li> <li>Documents required for publicity and training and handbooks as reference for the operation of the systems are prepared</li> <li>Media materials for newspapers, radio and television have been prepared</li> <li>Study visits have been carried out</li> <li>Training activities have been performed and completed</li> <li>Awareness creation activities have been performed and completed.</li> </ul>	<p>Project reports and SC minutes</p> <p>Project reports</p> <p>Project reports</p> <p>Project reports Project reports and SC minutes</p> <p>Project reports and SC minutes</p>	<p>Field experience from 1<sup>st</sup> project confirms applicability of current strategies</p>

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
4. The I&R system comprising the bovine, ovine and caprine species is fully operational and accessible for other agricultural databases	<ul style="list-style-type: none"> <li>The system modification plan has been developed and approved by the Beneficiary</li> <li>Expanded I&amp;R legislation including an amendment of the I&amp;R law and Books of Rules for ovine and caprine animals are in force</li> <li>Information flow and reporting are extended to the ovine and caprine species</li> <li>Ear tags, pliers and print materials for the I&amp;R of sheep and goats are procured and in use.</li> </ul>	<p>Project Records and SC minutes</p> <p>Official Gazette</p> <p>Project records and SC minutes</p> <p>Project records and SC minutes</p>	<p>Continued support by MAFWE and VD</p> <p>Continued support by Government and Parliament for I&amp;R and zoonoses control</p> <p>IT systems contracted are compatible to existing IT environment</p> <p>Field experience from 1<sup>st</sup> project confirms applicability of current strategy</p> <p>EU legislation for I&amp;R of sheep and goats is not changed</p> <p>Timely and successful procurement procedures pursued</p>
5. The VIS is established and operational with respect to I&R of the bovine, ovine and caprine species and veterinary disease surveillance	<ul style="list-style-type: none"> <li>The VIS is operational with respect to I&amp;R for bovine, ovine and caprine species and animal disease surveillance for three diseases included in the preventive measures</li> <li>Plans for the completion of the VIS are prepared and approved by the Beneficiary (for ex.: sample management system, laboratory information system)</li> </ul>	<p>Project records and SC minutes</p> <p>Project records, I&amp;R and VI annual reports, SC minutes</p> <p>Project records</p>	<p>IT systems contracted is compatible with bovine I&amp;R and small ruminants I&amp;R system</p> <p>Preventive measures already properly documented, requirement mainly database development and integration</p> <p>Subsidy and food safety information systems utilizing I&amp;R and VIS databases</p> <p>Extension to pigs, horses and other animals intended by the beneficiary</p>

Activities	Means	Costs	Assumptions
1.1 Assist the MAFWM and VD to formulate a concept and system design for an integrated I&R and VIS 1.2 Assist the VD in designing the appropriate expansion of institutional structures and organisational management of the I&R and VI systems	<b>Technical Assistance</b> to be provided with the support of the Project team: Project-Co-ordinator, Senior IT expert, Senior I&R expert, ST Senior experts, ST Junior experts, Junior IT expert, Junior I&R/VIS co-ordinator, Junior ST experts	To provide assistance of the activities under 1.1 – 1.5 there is need for approximately 370 wd (150 wd senior, 220 wd junior) of the mentioned experts and Approx. 15,000 €incidental expenditures	
1.3 Assist the VD in preparing and obtaining approval of business and financial plans for the expansion the I&R and VI systems 1.4 Review the legislation relevant to I&R and Animal Health Surveillance, and assist in drafting the necessary amendments to existing legislation, if any, and in drafting the Book of Rules for the I&R of ovine and caprine animals Assist in setting up working groups for legislation, I&R and VIS development			
2.1 Prepare overall IT concept and implementation plan for the supply of hard- and software, the utilisation of local software development services and the software development under the project 2.2 Draft supply contract forecasts and notices for IT hard- and software, office equipment and software services 2.3 Draft technical specifications for the extension of the I&R software for small ruminants and software and local software services for the software development of the VIS 2.4 Draft tender dossier for IT soft- and hardware and local software development services for the project 2.5 Give assistance in the procurement process and supervise installation and testing of procured hard- and software 2.6 Provide support and guidance to the local software development 2.7 Organize IT staff training and recommend special training for individual staff members 2.8 Assist in the roll-out and operation of the I&R and VIS software	<b>Technical Assistance</b> to be provided with the support of the Project team: Project-Co-ordinator, Senior IT expert, Senior I&R expert, ST Senior experts, ST Junior experts, Junior IT expert, Junior I&R/VIS co-ordinator  <b>Supply</b> of IT hardware and software, and local software development services	To provide assistance of the activities under 2.1 – 2.8 there is a need for approximately 450 wd (170 wd senior, 280 wd junior) of the mentioned experts as well as  Approx. 15,000 €incidental expenditures  Approx. 180,000 €for supply of IT hardware and software  Approx. 40,000 €for local software development services	
3.1 Elaboration of dissemination plans for the expansion of the I&R system and animal disease surveillance programme 3.2 Preparation of training materials and handbooks 3.3 Preparation of publicity materials including print materials (leaflets, posters, newspaper articles), videos, and materials for radio and television 3.4 Awareness creation among stakeholders and the general public 3.5 Appropriate training of participants at all levels 3.6 Organisation of study visits for stakeholders and senior staff	<b>Technical Assistance</b> to be provided with the support of the Project team: Project-Co-ordinator, Senior IT expert, Senior I&R expert, ST Senior experts, ST Junior experts, Junior IT expert, Junior I&R/VIS co-ordinator, Junior ST experts (L4)	To provide assistance of the activities under 3.1 – 3.6 there is a need for approximately 240 wd (130 wd senior and 110 wd junior) of the mentioned experts and  Approx. 20,000 €incidental expenditures	



Activities	Means	Costs	Assumptions
4.1 Assist in adapting the design of the computer network and data flow architecture 4.2 Assist in the adaptation of information flow and reporting 4.3 Assist in the preparation of the implementation plan 4.4 Assist in the design and implementation of the holding census/1 <sup>st</sup> tagging 4.5 Assist in the design of on-farm registers and movement documents 4.6 Assist in the organisation of data entry 4.7 Assist in the procurement of ear tags and print materials through a supply tender	<b>Technical Assistance</b> to be provided with the support of the Project team: Project-Co-ordinator, Senior IT expert, Senior I&R expert, ST Senior experts, ST Junior experts, Junior IT expert, Junior I&R/VIS co-ordinator  <b>Supply</b> of ear tags, pliers and print materials	To provide assistance of the activities under 4.1 – 4.7 there is a need for approximately 490 wd (180 wd senior and 310 wd junior) of the mentioned experts as well as  Approx. 15,000 € incidental expenditures and  Approx. 140,000 € supply of ear tags, pliers and print materials	
5.1 Assist in the design and establishment of a database for animal disease surveillance integrating I&R and animal disease surveillance information from VA, initially VI, livestock markets, slaughterhouses, the Diagnostic Veterinary Laboratory and other sources for three animal diseases included in the preventive measures 5.2 Assist in the legal and technical requirements for three animal diseases to be covered by the VIS 5.3 Assist in the elaboration of technical design, workflows, data flow architecture and reporting of the VIS 5.4 Assist in the preparation of the implementation plan 5.5 Assist in the roll-out and operation of the VIS	<b>Technical Assistance</b> to be provided with the support of the Project team: Project-Co-ordinator, Senior IT expert, ST Senior experts, ST Junior experts, Junior IT expert, Junior I&R/VIS co-ordinator  <b>Supply</b> of print materials	To provide assistance of the activities under 5.1 – 5.5 there is a need for approximately 260 wd (180 wd senior and 80 wd junior) of the mentioned experts as well as  Approx. 15,000 € incidental expenditures  Approx. 40,000 € supply of print materials	

**ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project**

<b>Contracted</b>	<b>02/2008</b>	<b>12/2008</b>	<b>02/2009</b>							
Contract 1.1	1,000,000									
Contract 1.2a		340,000								
Contract 1.2b			60,000							
<b>Cumulated</b>	<b>1,000,000</b>	<b>1340,000</b>	<b>1,400,000</b>							
<b>Disbursed</b>	<b>I-2008</b>	<b>II-2008</b>	<b>III-2008</b>	<b>IV-2008</b>	<b>I-2009</b>	<b>II-2009</b>	<b>III-2009</b>	<b>IV-2009</b>	<b>I-2010</b>	<b>II-2010</b>
Contract 1.1	600,000			160,000		130,000		50,000		60,000
Contract 1.2a				200,000		140,000				
Contract 1.2b					40,000		20,000			
<b>Cumulated</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>	<b>960,000</b>	<b>1,000,000</b>	<b>1,270,000</b>	<b>1,290,000</b>	<b>1,340,000</b>	<b>1,340,000</b>	<b>1,400,000</b>

### **ANNEX 3: Reference to laws, regulations and strategic documents:**

#### **Reference list of relevant laws and regulations**

##### **Laws:**

##### **- Law on Animal Identification and Registration (law proposal)**

The law proposal of Law on Identification and Registration has obtained all positive opinions from relevant institutions: Ministry of finance, Ministry of Justice, Secretariat for legislation, Secretariat for EU integration and Ministry of Interior Affairs and Public Administration. It is expected that law proposal will be adopted on the session of the Montenegrin Government which will be during May 2007.

##### **- Law on amendments and addendums of the Veterinary Law**

Law on amendments and addendums of the Veterinary Law was adopted on 10/05/2007 on the Parliament session and will be published in the Official Journal of Republic of Montenegro.

#### **Link with Accession partnership (AP):**

The Annex to Council Decision of 27 January 2007 on the principles, priorities and conditions in the European Partnership with Montenegro (2007/49/EC) lists as short term key priorities inter alia:

- Complete the establishment of the legal and institutional set-up required for an independent country including the signature and ratification of the international instruments to which the State Union of Serbia and Montenegro had adhered
- Continue efforts to implement the reform of the public administration, including the civil service pay system, to ensure transparent recruitment, professionalism and accountability; continue, in particular, to strengthen the European integration structures at all levels (including in the relevant ministries and in the parliament) and the mechanisms of coordination on EU matters.

As short term priorities to introduce European Standards to facilitate the free movement of goods in the internal market

- Complete the establishment of the legal and institutional set-up on standardisation, market surveillance, certification, metrology, accreditation and conformity assessment in line with the European Community *acquis communautaire* to create conditions favourable to trade. Start adopting European standards.
- Establish a legal framework and administrative capacity for active consumer and health protection in line with EU consumer and health policy.

As short term priorities to introduce European Standards in agriculture and fisheries:

- Continue efforts to align legislation with the EU veterinary and phytosanitary *acquis* including the setting of an integrated food safety system aiming at avoiding overlapping, and increasing food safety. Prepare a system of animal identification and registration for bovines in line with EU requirements.

As short term priorities to introduce European Standards in statistics:

Revise and adopt the master plan on statistics with a view to enhancing the quality and broadening the scope of statistics. Reinforce the collection and processing of agriculture statistics in line with EU standards and methodology; implement HS nomenclature 2007.

As medium-term priorities the Annex to the Council Decision of 27 January 2007 lists to introduce European Standards in the internal market, in order to improve the free movement of goods:

- Further develop standardisation, in particular through the adoption of European standards. Continue transposing the New and Global Approach and Old Approach directives. Establish a market surveillance structure as required by the *acquis*.

Last but not least the Annex referred to above lists as medium-term priorities for agriculture and fisheries:

- Strengthen institutional capacity for food safety. Prepare a programme for upgrading food processing establishments to meet EU requirements. Start action with a view to identification of sheep and goats and registration of their movements. Start action to ensure efficient control of domestic plant production, in particular for products subject to specific EU requirements.
- National Plan for the Adoption of the Acquis (NPAA): The Food Production and Rural Development Strategy of Montenegro recognizes as a requirement of the EU integration for agriculture chapter the need for the establishment of the competent veterinary authority responsible for animal identification and for registration of holdings and movement control, including the databases;
  - Stabilisation and Association Agreement (SAA): The SAA is still in preparation.

### **Link with MIPD**

- Among the objectives of pre-accession assistance referring to European standards (chapter 1.2.(3)) the MIPD stipulates
  - Progressive alignment with the *acquis* i.e. transposition and enforcement of legislation in the areas covered by the by the EU *acquis* including internal market, agriculture, environment, energy, security (integrated border management, visa and migration policy).
- Among the components for transition assistance and institution building the sub component 'European Standards' (Chapter 2.2.3.1.) lists as one of the main priorities and objectives:
  - Development of capacities to implement EU food safety, veterinary and phyto-sanitary standards; as well as to implement international agreements in the field of public health (communicable and non communicable diseases).
- Under chapter 2.2.3.2. 'main expected results and time frame' the MIPD lists inter alia:
  - Trade related veterinary, phyto-sanitary and food safety legislation aligned to EU *acquis*; increased capacity of veterinary and phyto-

sanitary controls; increased awareness about rights and obligations on the side of producers and consumers.

- Finally, chapter 2.2.3.3 on ‘programmes to be implemented’ lists inter alia:
  - Capacity building in the veterinary sector, legislative and management strengthening including training, raising public awareness of farmers, as well as provision of equipment for controls and incineration; development of an integrated food safety system; as well as laboratory capacity in fisheries.

## **ANNEX 4: Details per EU funded contract (\*) where applicable:**

### **1. TA for the Development and Implementation of Animal identification system for small ruminants**

Building on a previous CARDS project the purpose of the proposed intervention is to strengthen and expand the concept, system design and implementation plan for an integrated animal I&R and Veterinary Information system in line with EU standards to comprise the bovine, ovine and caprine animals, with the possibility of future expansion to other animal species; the holding register should also be usable for different agricultural management databases to avoid duplication of data collection. In addition to that project operation will design and implement a Veterinary Information system (VIS) comprising initially the I&R of animals of the bovine, ovine and caprine species, veterinary disease control systems, in particular animal disease surveillance and movement control serving the Veterinary Directorate (VD) and the Veterinary Inspections (VI) with links to the

Veterinary Laboratory (VL), the BIPs, the Veterinary Ambulances (VA), key markets and slaughterhouses; the system will enable veterinary information and data to be communicated rapidly and accurately between the stakeholders, and permit data exchange with other agricultural management databases.

### **2. Equipment for the Animal identification system for small ruminants**

Equipment and supplies to consolidate the bovine I&R system and expand the system's coverage to small ruminants will complement the implementation of the TA component.

*(More details in the Annex 1)*