

IPA National Programme 2010 for Albania
Project Fiche 09 "Support to the Food Safety Infrastructure "

1. Basic information

1.1 CRIS Number: 2010/022-530

1.2 Title: Support to the food safety infrastructure in Albania: Construction and rehabilitation of National Food Authority (NFA) regional offices and laboratories.

1.3 ELARG Statistical code: 03.12 Ability to assume the obligations of membership / Food safety, veterinary, and phytosanitary policy

1.4 Location: Albania

Implementing arrangements:

1.5 Contracting Authority: The European Union represented by the European Commission on behalf of the Albanian Government

1.6 Implementing Agency: EU Delegation to Albania

1.7 Beneficiary: Ministry of Agriculture, Food and Consumer Protection
General Department of Food Safety and Consumer Protection

Project manager:

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Financing:

1.8 Overall cost (VAT excluded)¹: EUR 4 700 000

1.9 EU contribution: EUR 4 000 000

1.10 Final date for contracting: Two years following the date of the conclusion of the Financing Agreement

1.11 Final date for execution of contracts: Four years following the end date of contracting²

1.12 Final date for disbursements: One year following the end date for the execution of contracts

¹ The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated (see Section 7.6)

² Considering complexity of works and guarantee period

2. Overall Objective and Project Purpose

2.1 Overall Objective:

Consumer protection and health standards fostered through an improved food safety control system.

2.2 Project purpose

Working efficiency of the food safety system in Albania improved due to upgrading of the physical network of the offices and laboratories of the National Food Authority at national and regional level.

2.3 Link with AP/NPAA / EP/ SAA

1. Sectoral strategy for food safety and consumer protection, animal health and plant protection.
2. Stabilization and Association Agreement (SAA) which was signed on 12 June 2006 and entered into force on 1 April 2009: Article 76 "Consumer Protection" and Title VI "Approximation of laws, law enforcement and competition rules", Article 70.
3. 2008/210/EC: Council Decision of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Albania and repealing Decision 2006/54/EC.
4. Council of Ministers of the Republic of Albania through Decision No 862 of 12.07.2009 approved the National Plan for the Implementation of the SAA for 2009-2014.
5. Annex 4, Section 3.8.1 that refers to food safety in the National Plan for the Implementation of the SAA (NPISAA 2009-2014) lays down short, medium and long term priorities of Albania in the European integration process focusing particularly on:
 - Implementation of the commitments under the Stabilization and Association Agreement;
 - Priorities for the approximation of the Albanian legislation to the EU *acquis*;
 - Definition of administrative capacity necessary for the implementation of the SAA commitments according to the fields;
 - Definition of financial costs for the implementation of the SAA commitments, in line with the medium term budget programming and other financial costs set out in the sector strategies.

Details on the legislation are provided in Annex IV.

2.4 Link with MIPD

The objective of MIPD 2009-2011 on Food safety, veterinary and phytosanitary aims toward the strengthening of administrative capacity of food control systems through support to laboratory capacities; adoption of veterinary and phytosanitary legislation; improvement of animal disease eradication and identification of animals and registration of their movements.

2.5 Link with National Development Plan (where applicable)

The section covering agriculture in the National Strategy for Development and Integration 2007-2013 (NSDI) mentions the need to update the legal framework and related physical infrastructure for the official inspection of food in line with EU standards.

2.6 Link with national/ sectoral investment plans (where applicable)

Under the framework of the Government's Integrated Planning System (IPS), the Albanian government has committed funds to support the food safety system through construction or rehabilitation of laboratories and provision of laboratory equipment.

3. Description of project

3.1 Background and justification

The Albania 2009 Progress Report of the European Commission outlines that despite the progress observed in the improvement of the legal framework in agriculture, rural development, food safety, veterinary and phytosanitary field, further efforts are required to enhance the capacity of all actors involved.

Until recently, the protection of consumers from unsafe food entering the market was regulated through sharing of tasks among Ministry of Agriculture, Food and Consumer Protection, Ministry of Health and local government bodies resulting to a fragmented chain of command and lack of clear responsibilities.

The Albanian Government considers food safety and consumer protection as a priority in its policy agenda. The creation of the National Food Authority (NFA) in Albania was based on the strategic priorities set in the European Commission's document "White Paper on Food Safety". The NFA was sanctioned in the new Food Law approved by the Albanian Parliament in January 2008. Organization and functioning of NFA has been approved by the Decision of Council of Ministers in October 2009. According to this decision, NFA will be fully operational within two years following the setting up plan of its administrative capacities that started with the nomination of the General Director in December 2009.

The strategy foresees the future of NFA as an overall structure, including the veterinary and phytosanitary service, capable of ensuring the food safety from stable to table including also the laboratory and border inspection service network. The implementation of this strategy will be supported through IPA 2009 programme that will establish and/or consolidate the risk assessment capacity, crisis management and risk communication.

The primary role of the NFA will be the enforcing of food safety related regulations while other tasks regarding policy development, preparation of legislation and crisis management will be shared with other responsible ministries.

Being a single body of carrying out the food inspection from processing, to storage, distribution, selling and catering operators, the designed structure of NFA foresees the establishing of administrative capacities to 12 regions through gradual transfer of competencies and tasks from the Ministry of Agriculture, Food and Consumer Protection, Ministry of Health and local government bodies in accordance with the provisions laid down in Food Law and the Decision of the Council of Ministers of October 2009.

The capacity of the NFA to ensure high levels of food safety in the country will depend also on the availability of appropriate physical infrastructure such as office space to accommodate

the necessary staff and establishing of a decent communication network system to enable the NFA to manage not only daily monitoring activities but also take rapid measures during food alert cases.

At present, the food inspection system is accommodated in the Regional Directorates of Agriculture that have also other duties related to extension service, agricultural statistics, veterinary and plant protection service. Considering that NFA will deploy additional staff to carry out inspection to operators currently covered by other government bodies, it is necessary that office space is expanded and separated from the existing Directorates of Agriculture.

In addition, most of the regional laboratories are not in the same building with the Regional Directorates of Agriculture. Including these laboratories in the new constructed/rehabilitated buildings of the regional structure of NFA will improve not only the compliance with ISO 17025 accreditation requirements but also the communication system within NFA.

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

Impact – The consolidation of the network of the NFA offices and laboratories throughout the country will improve the compliance and capacity of the service to enforce the relevant legislation on food safety.

Catalytic effect – Food producers and processors will improve food safety practices and technology and thus increasing confidence of domestic consumer to local products and chances to get to international export markets.

Sustainability – It will consolidate the administrative capacity of the NFA to carry out efficiently the tasks foreseen by law.

Cross border impact – The increase of the working efficiency of the food safety system will prevent the importation or exportation of uncontrolled food and feed products carrying health hazards to the consumers.

3.3 Results and measurable indicators

Activity 1: Construction/rehabilitation of regional offices and laboratories

Result 1: Twelve NFA regional offices to accommodate the staff and eleven laboratories are constructed/rehabilitated in accordance to the Detailed Designs and Tender Dossiers as verified by Supervisor and to the satisfaction of the beneficiary.

Indicators

NFA regional offices and laboratories have been taken over by beneficiary and are fully operational.

3.4 Activities

Activity 1: Construction/rehabilitation of regional offices and laboratories³

Activity 1 will be implemented through the following contracts as indicated in section 4:

- 1.1. Contract for construction/rehabilitation of NFA infrastructure - North Region: Shkodra, Kukes and Dibra;
- 1.2. Contract for construction/rehabilitation of NFA infrastructure - Central Region: Tirana, Durres, Elbasan and Korca;
- 1.3. Contract for construction/rehabilitation of NFA infrastructure – South Region: Vlora, Fier, and Gjirokastra;
- 1.4. Contract for construction/rehabilitation of offices in Lezha and Berat (it includes also the laboratory) and supply of furniture and equipment for all buildings included in this fiche will be part of beneficiary co-financing.⁴

3.5 Conditionality and sequencing

In order for works to be completed within the period indicated in section 5 of this project fiche, the beneficiary shall be committed to:

- ✓ Public ownership documents will be provided before design contracts are signed, proving that selected sites are clear from any potential property claim that may arise in the future,
- ✓ Provide during the design phase all the existing technical documentation regarding buildings to be rehabilitated or expanded,
- ✓ Provide in time the requested comments or approvals on the detailed designs before the indicated tendering deadlines,
- ✓ Allocate the necessary funds for the construction/rehabilitation of offices and laboratories to be financed through government budget,
- ✓ Prepare, apply and receive the construction permit before the tendering process for works is launched,
- ✓ Arrange with local authorities before the starting of activities the site for the disposal of waste produced from rehabilitation/construction works,
- ✓ Ensure at his own costs the connection to utility infrastructure and services (electricity, phone, water, sewage) before the completion of works,
- ✓ Takeover the works upon notice of completion from supervisor,

³ The laboratories will be in the same building with offices.

⁴ Final selection of the regions whose offices and laboratories will be constructed/rehabilitated with government funds can be subject to changes following the preparation of detailed designs and costs estimation.

- ✓ Accommodate the staff into the rehabilitated/constructed buildings with proper furniture and equipment, and inform the Supervisor about any defects that may occur during the defect liability period.

The Albania Government and the Beneficiary will assure adequate financial and human resources in order to allow proper maintenance and functioning of the facilities provided in the context of the present project.

3.6 Linked activities

1. IPA 2009 Project "Consolidation of the food safety system in Albania".

The purpose of this project is strengthening and consolidation of the administrative structures responsible for ensuring the enforcement of EU compliant food safety measures.

The main components of this project include:

- ✓ Technical assistance to capacity building of NFA at central and regional level,
- ✓ Establishment of the communication and information network between central office of NFA, regional offices, laboratories and border inspection posts,
- ✓ Preparation of detailed designs for the rehabilitation/construction of regional infrastructure of the NFA including both the laboratory network to comply with ISO 17025 and the regional offices to accommodate the staff,
- ✓ The supervision of works for the rehabilitation/construction of regional laboratories and NFA offices.

2. Project "Strengthening of the Food Control Institutions"

Funded by Italian Government and implemented by the World Health Organization. One main objective of the project is to modernise and upgrade the scientific and managerial capacity of food laboratories and inspection services in Albania to meet international standards and accreditation requirements, and provide a sound basis for the work of the new National Food Authority.

3.7 Lessons learned

The accommodation of staff will require the active role of the ministry at all stages of the project from design to completion of works including:

- ✓ Timely identification of the building locations during the design phase planned under IPA 2009 programme,
- ✓ Identification of the number of staff to be accommodated in these buildings,
- ✓ Clearance of any potential ownership problem that may rise before and during the implementation of works,

- ✓ Approval in time of the designs and tender documents as foreseen in the time schedule,
- ✓ Nomination of contact person and other staff responsible for the assistance to consultants and taking over process of the buildings through the issuance of respective certificates,
- ✓ Taking of construction permits where necessary before the launching of works tender.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA EU CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Activity 1		X	4 700 000	4 000 000	85	700 000	15					
Contract 1.1 Works	-		1 000 000	1 000 000	100							-
Contract 1.2 Works	-		2 200 000	2 200 000	100							-
Contract 1.3 Works	-		800 000	800 000	100							-
Contract 1.4 Works + Supply (furniture and equipment)	-		700 000			700 000	100					-
TOTAL IB												
TOTAL INV			4 700 000	4 000 000	85	700 000	15					
TOTAL PROJECT			4 700 000	4 000 000	85	700 000	15					

NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

Amounts net of VAT

- (1) In the Activity row use "X" to identify whether IB or INV
- (2) Expressed in % of the **Total** Expenditure (column (a))

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

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1	Q2 2011	Q3 2011	Q3 2015
Contract 1.2	Q2 2011	Q3 2011	Q3 2015
Contract 1.3	Q2 2011	Q3 2011	Q3 2015

All projects should in principle be ready for tendering in the 1st quarter following the signature of the Financing Agreement.

6. Cross cutting issues

6.1 Equal Opportunity

Equal opportunity principles and practices in ensuring equitable gender participation in the project will be guaranteed in accordance with the Labour Code of Albania.

6.2 Environment

The disposal of any waste produced from the rehabilitation/construction works will be made in accordance with national legislation.

6.3 Minorities

This project has no impact on minorities and/or vulnerable groups.

ANNEXES

- I Log frame in Standard Format
 - II Amounts contracted and Disbursed per Quarter over the full duration of Programme
 - III Description of Institutional Framework
 - IV 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

V Details per EU funded contract

ANNEX I: Logical framework matrix

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name: Support to the Food Safety Infrastructure in Albania		
		Contracting period expires: Two years following the date of the conclusion of the Financing Agreement		Disbursement period expires: One year following the end date for the execution of contracts
CRIS Number:		Total budget: 4 700 000	IPA budget: 4 000 000	
Overall objective	Objectively verifiable indicators	Sources of Verification		
Increase food safety in Albania and improve health standards against food-borne diseases	<p>Reduced number of complaints on the safety of food from consumers and their organisations</p> <p>Reduced number of people affected by food borne diseases</p> <p>Increased consumer confidence to public administration</p>	<p>Annual reports from Ministry of Health and related agencies</p> <p>Statistical data from INSTAT</p> <p>Information from consumer organizations</p>		
Project purpose	Objectively verifiable indicators	Sources of Verification		Assumptions
Working efficiency of the food safety system in Albania improved due to upgrading of the physical network of the offices and laboratories of National Food Authority at national and regional level.	Performance level of the National Food Authority as related to the execution of its tasks	<p>Annual reports from NFA</p> <p>Information from consumer protection associations</p>		<p>The upgrading of the NFA related infrastructure is carried out in line with the government strategy for the sector</p> <p>The government allocates and utilizes the necessary co-financing before the completion of works</p>
Results 1	Objectively verifiable indicators	Sources of Verification		Assumptions

<p>NFA regional offices to accommodate the staff and the laboratory network are constructed/rehabilitated and fully operational in accordance to the Detailed Designs and Tender Dossiers as verified by Supervisor and to the satisfaction of beneficiary.</p>	<p>NFA regional offices and laboratories have been taken over by beneficiary and fully operational.</p>	<p>Technical reports from supervisor. Final acceptance of works.</p>	<p>NFA agrees with the technical design and tender dossiers for the buildings to be constructed / rehabilitated.</p>
<p>Activities</p>	<p>Means</p>	<p>Costs</p>	<p>Assumptions</p>
<p>Activity 1</p> <p>Construction / rehabilitation of NFA infrastructure - North Region: Regional offices in Shkodra, Kukes and Dibra; laboratories in Shkodra, Kukes and Dibra.</p> <p>Construction / rehabilitation of NFA infrastructure - Central Region: Regional offices in Tirana, Durres, Elbasan and Korca; laboratories in Tirana, Durres, Elbasan, and Korca.</p> <p>Construction / rehabilitation of NFA infrastructure – South Region: Regional offices in Vlora, Fier, and Gjirokastra; laboratories in Vlora Fier and Gjirokastra.</p> <p>Construction / rehabilitation of NFA infrastructure in Lezha and Berat: Regional offices in Lezha and Berat; laboratory in Berat. Supply of furniture and equipment for all buildings included in this fiche.</p>	<p>Execution of works to be performed by EU through work contracts.</p> <p>Appropriate tender/procurement procedures performed by Ministry of Agriculture, Food and Consumer Protection for works and supplies.</p>	<p>1.1 - North region: EUR 1 000 000</p> <p>1.2 - Central region: EUR 2 200 000</p> <p>1.3 - South region: EUR 800 000</p> <p>1.4 - Lezha and Berat + furniture and equipment: EUR 700 000 (co-financing)</p>	<p>Technical Design and tender dossier are delivered on time</p> <p>Potential property conflicts have been cleared before the design phase</p> <p>All permits for construction / rehabilitation made available at the indicated deadlines</p>

ANNEX II

Amounts (in EUR) Contracted and disbursed by quarter for the project

Contracted		Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Contract (Works contract)	1.1	1 000 000																
Contract (Works contract)	1.2	2 200 000																
Contract (Works contract)	1.3	800 000																
Cumulated		4 000 000																
Disbursed		Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Contract (Works contract)	1.1		100 000	40 000	40 000	40 000	80 000	80 000	80 000	80 000	90 000	90 000	90 000	90 000				100 000
Contract (Works contract)	1.2		200 000	120 000	120 000	120 000	160 000	160 000	160 000	160 000	200 000	200 000	200 000	200 000				200 000
Contract (Works contract)	1.3		70 000	40 000	40 000	40 000	60 000	60 000	60 000	60 000	60 000	80 000	80 000	80 000				70 000
Cumulated			370 000	570 000	770 000	970 000	1 270 000	1 570 000	1 870 000	2 170 000	2 520 000	2 890 000	3 260 000	3 630 000				4 000 000

ANNEX III

Description of Institutional Framework

The Food Safety and Consumer Protection General Directorate in the Ministry of Agriculture, Food and Consumer Protection is the highest level of food safety organisation. It is composed by Directorate of Food Safety and Consumer Protection and Directorate of Animal Health and Plant Protection. Three sectors are operating under the organisation of Directorate of Food Safety and Consumer Protection: Sector of Food Safety, Sector of Food Quality and Sector of Consumer Protection.

The Directorate of Animal Health and Plant Protection is divided in two sectors: Sector of Animal Health and Sector of Plant Protection. Institute of Food Safety and Veterinary performs this activity according to Food law nr. 9368 date 28.01.2008, law of “Veterinary Service and Inspectorate” nr. 9308 date 4.11.2004. Regional Directorates for Agriculture and Food have 3 inspectorates on food safety, animal health and plant protection. From the technical point of view these are under the control of Food Safety and Consumer Protection General Directorate until the NFA is fully operational. The regional Labs for food safety are operating under Regional Directorates of Food Safety and Consumer Protection and the regional veterinary laboratories are operating under the competencies of Institute of Food Safety and Veterinary.

ANNEX IV

Reference to laws, regulations and strategic documents

Reference list of relevant laws and regulations

The main laws in Albania that create the legal framework for food safety, animal health and plant protection are as follows:

- Law No 9863 of 28.01.2008 “On Food”,
- Law No 9308 of 04.11.2004 “On veterinary service and inspectorate”,
- Law No 9362 of 24.03.2005 “On plant protection service” as amended in 2008,
- Specific provisions as set out in various Decisions of Council of Ministers and Ordinances of Minister with regard to food safety, animal health, plant protection etc.,
- Decision of Council of Ministers No 1081 of 21.10.2009 “On organisation and functioning of National Food Authority”,
- Sectorial strategy for food safety and consumer protection, animal health and plant protection,
- Article 70 “For the Albanian legislation approximation and Article 76 “For the Consumer Protection” of the SAA,
- Short and medium term priorities as set out in the Council Decision 2008/210/EC of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Albania,
- National Plan for the implementation of SAA, point 3.8.1. (Food Safety),
- Multi-Annual Indicative Planning document for Albania 2009-2011,
- National Strategy for Development and Integration 2007-2013, Council of Ministers.

Reference to European Partnership

The project will contribute to the achieving of the short and medium term priorities included in the Council Decision 2008/210/EC of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Albania:

Short-term

- ✓ Adopt a new law on food in line with EU standards, strengthen the food safety system and related control systems,
- ✓ Reinforce laboratory capacity in the food safety, and veterinary and phytosanitary domain,
- ✓ Improve food safety, phytosanitary and veterinary legislation, and start its implementation.

Medium-term

- ✓ Achieve substantial improvements in terms of food safety and phytosanitary and veterinary conditions, in compliance with EC requirements,
- ✓ Assess the compliance of agri-food establishments with EU requirements, prepare a programme for their upgrading and start its implementation,

- ✓ Start action with a view to ensuring efficient control of domestic plant production, in particular for products with specific EU requirements, and set up analytical capacity in the phytosanitary sector.

Reference to MIPD

The objective of MIPD 2009-2011 on Food safety, veterinary and phytosanitary aims toward the strengthening of administrative capacity of food control systems through support to laboratory capacities; adoption of veterinary and phytosanitary legislation; improvement of animal disease eradication and identification of animals and registration of their movements.

The expected results and indicators are:

- ✓ Administrative capacities strengthened in particular as regards control systems,
- ✓ System of identification of bovines, pigs, sheep and goats and registration of their movements improved,
- ✓ Programme on animal disease eradication gradually implemented.

Reference to National Development Plan

The Albanian Government's National Strategy of Development and Integration takes a bottom-up approach, including the above-mentioned EU documents. Part of this document is the Sectorial Strategy for Food Safety, Consumer Protection, Animal Health and Plant Protection.

Annex V

Details per EU funded contract⁵

The feasibility study and detailed design will be carried out through IPA 2009 service contract on all the offices and laboratories (including those to be constructed/rehabilitated with government co-financing).

Government co-financing is set 15% and it will cover the construction/rehabilitation works for Lezha and Berat and supply of furniture and equipment for all buildings under this fiche.

District/region	Offices			Laboratories			Estimated amount in EUR
	New construction	Extension of existing building	Rehabilitation	New construction	Extension of existing building	Rehabilitation	
Shkoder	x			x			610 000
Kukes			x			x	175 000
Diber		x			x		215 000
Contract 1.1 North regions							1 000 000
Tirana	x			x			700 000
Durres		x	x		x	x	450 000
Elbasan		x	x		x	x	450 000
Korca	x			x			600 000
Contract 1.2 Central regions							2 200 000
Fier		x				x	270 000
Vlora			x			x	220 000
Gjirokaster		x					310 000
Contract 1.3 South regions							800 000

⁵ All the laboratories are inside the buildings to be constructed or rehabilitated