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B&H STATE LEVEL AFRD OPERATIONAL PROGRAMME (2008-2010)

1. Introduction

This document provides a detailed action plan for the implementation of the B&H Agriculture, Food and Rural Development Harmonization Strategic Plan at State level.

The key objective of the AFRD Harmonization Strategic Plan is to provide a framework for the gradual harmonization of policies, programmes, institutions, laws and other regulations, systems and services both within B&H and with the EU.

It is intended to provide a platform and framework for the introduction of pre-IPA-RD actions to be undertaken, commencing in 2008, allowing the foundations to be in place by 2010 for receipt of EU rural development funds. Further, the AFRD Harmonisation Strategic Plan provides a framework within which essential public sector reforms can be introduced to strengthen the coordination and management of the sector, enhance the role and focus of executive agencies responsible for food safety, veterinary and phytosanitary issues and accelerate the legislative and institutional reforms to ensure gradual compliance with international standards. The detailed actions which will allow this to be achieved at state level are outlined in this document. The actions have been developed taking full account of the actions defined in the B&H Mid-Term Development Strategy (2004-2007), many of which have either been partially implemented or not yet implemented to date. The actions in specific technical areas such as Veterinary and phytosanitary have been revised and updated in consultation with the relevant state agencies.

2. Specific Objectives of the State level Harmonisation Operational Programme (2008-2010)

The AFRD Harmonization Operational Programme at State level specific objectives have been defined for the 2008-2010 period, taking into account the institutional, legal and general sector conditions in 2007. The objectives of all actions defined in the operational programme are to:

- (a) Gradually harmonize sector policies and mechanisms at State, Entity and Canton levels both within B&H and with the EU (and specifically the gradual alignment with the IPA Rural Development EC Regulation 1085/2005, Article 172, and its implementing Regulation 718/2007).
- (b) Progressively establish appropriate institutional structures, capacities, systems and procedures at State level to coordinate and guide the management of pre-accession harmonization preparations and gradual adoption of the agricultural *acquis communitaire*.

3. Priority Axis and Measures

To achieve the above stated objectives, implementation within the operational programme will focus on six Priority Axis, ensuring complementarity and consistency between each, specifically:

- **1st Priority Axis:** Establish the required institutional capacity, coordination and implementation mechanisms, at all levels
- **2nd Priority Axis:** Enhance the quality and safety of domestic products with a competitive advantage in production, processing and trade
- **3rd Priority Axis:** Support primary production with direct farm support measures to gradually align between entities and with EU measures
- **4th Priority Axis:** Increase competitiveness of the agri-food sector of B&H through indirect support measures for production, processing and trade
- **5th Priority Axis:** Protect the rural environment of B&H through support for agrienvironmental programmes
- 6th Priority Axis: Diversify rural activities and improve the quality of life in rural areas.

Detailed priority actions (by priority axis)

3.1 1st Priority Axis: Establish the required institutional capacity, coordination and implementation mechanisms, at all levels

1.1. MoFTER SAFF	RD Reorganization, expansion and overall strengthening
	Development and passing of new Rulebook for SAFFRD
Activities	Launching of new recruitment procedures for gradual expansion of SAFFRD staff in all areas defined in the new rulebook including subdepartments/units for coordination of: (i) Agriculture strategic planning and policy framework harmonization (ii) Rural Development Programming; (iii) Sector Monitoring and Evaluation; (iv) Sector Policy Analysis; (v) Sector information and statistics; (vi) Sector payment systems and procedures; (vii) Sector legal approximation; (viii) Sector international projects coordination; (ix) Other sector services (i.e. inspection, extension, market information)
	Preparation of a detailed capacity building programme
	Training and capacity building of staff in all areas
Responsible institutions	MoFTER; B&H Civil Service Agency; B&H Ministry of Finance; CoM
Timetable/indicators	30 staff by beginning 2008; 60 staff by beginning 2009; 90 staff by beginning 2010
Goals/Comments	To establish an effective state level coordination capacity to allow gradual adoption of the <i>acquis</i> and related EU integration activities/ obligations. This capacity could be retained within the existing structure of MoFTER and ultimately be established as a separate Ministry during this period

1.2 Strengthen the coordination and monitoring of state level executive agencies in support of the sector in veterinary, phytosanitary and food safety		
	Agreement on detailed annual work plans and performance targets for the State Veterinary Office; The Administration for the Plant Protection; and the Food Safety Agency	
Activities	Establishment of monitoring boards to review progress on a quarterly basis Detailed progress reports provided by all executive agencies on a	
Responsible institutions	quarterly basis MoFTER SAFFRD; Management Board of the Food Safety Agency; Council of Ministers	

Timetable/indicators	Establish coordination unit by January 2008; Agree annual work plan and performance targets for all executive agencies by January 2008; Undertake quarterly performance assessments and report to monitoring boards;
Goals/Comments	To introduce greater transparency and accountability of all executive agencies in fulfilling their legal obligations.

1.3 Establishment of Administration for the Harmonization of Payment Systems for the sector	
Activities	Drafting and agreement on structure, core functions and staffing of the Administration for the Harmonization of Payment Systems (AHPS) Drafting, agreement and adoption of AHPS Rulebook Selection and appointment of staff for the AHPS Training of staff of the AHPS (with support from relevant international projects) Development of new harmonized systems and procedures for support payments (in association with entity payment bodies)
Responsible institutions	MoFTER; Entity MAFWM's; B&H and Entity Ministries Of Finance; B&H CoM;
Timetable / indicators	Legal establishment of AHPS by mid 2008; Operational structure by end 2008; New payment procedures introduced and operational by January 2009; Gradual alignment with EU type payment systems ongoing
Goals/Comments	The AHPS is to be established as a transitional body to promote the introduction of EU type payment systems and procedures at Entity level. The structure will provide a range of services and support to the entities to improve efficiency, transparency and accountability for payments made to target beneficiaries in the sector.

1.4 Reorganize inspectorate services in line with EU and other international requirements	
Activities	Develop detailed gap analysis of inspection services for agriculture, veterinary, phytosanitary, food, forestry and specific alignment requirements. Develop detailed alignment programme and begin implementation
Responsible institutions	MoFTER; Entity MAFWM's; B&H and Entity Ministries Of Finance; Council of Ministers;
Timetable / indicators	Gap analysis completed by end 2008; Implementation of alignment programme commenced January 2009.
Goals/Comments	To introduce inspectorate services, systems and procedures that is in conformity with international requirements for import and export of agri-food products.

1.5 Harmonization of existing primary laws and regulations	
	Establish inter-entity AFRD legal harmonization committee
Activities	Harmonize existing entity laws with the laws adopted at B&H level (see detailed draft list in Annex 1)
Responsible institutions	MoFTER SAFFRD; FB&H MAFWM; RS MAFWM; other relevant specialized institutions
Timetable / indicators	Work plan agreed by January 2008; Harmonization of main laws completed by end 2008
Goals/Comments	To harmonize legal framework both between entities and with state level laws and regulations in all necessary areas and lay the foundations for gradual harmonization / legal approximation with EU regulations in the sector.

1.6 Harmonization of relevant by-laws and regulations	
Activities	Establish relevant legal/technical teams (inter-entity)
Activities	Prepare harmonized bylaws for existing laws (see Annex for details)
Responsible	MoFTER SAFFRD; Entity MAFWM's; Other relevant specialized
institutions	institutions
Timetable / indicators	Work plan agreed by mid 2008; Harmonization of main by-laws by mid
Timetable / mulcators	2009.
	To ensure effective and consistent implementation of harmonized legal
Goals/Comments	framework at entity level, in conformity with international
	requirements.

1.7 B&H sector legal approximation plan	
Activities	Establish overall coordination body to define priorities (state /interentity) Prepare detailed legal approximation plan for the sector (in line with agreed strategic priorities)
	Coordinate establishment of technical teams for preparation of priority legislation in line with the plan
Responsible institutions	MoFTER SAFFRD; Entity MAFWM's; Directorate for European Integration; Other relevant specialized institutions
Timetable / indicators	Coordination body established by mid 2008; Legal approximation plan for the sector prepared by end 2008; Full implementation commenced early 2009
Goals/Comments	To establish an appropriate and coordinated framework and set of priorities for legal approximation and gradual harmonization of B&H sector legislation with the EU acquis

1.8 Establishment of effective coordination mechanism(s) for sector support projects funded by international donors	
Activities	Establish coordination unit with SAFFRD; Establish inter-ministerial projects coordination body; Prepare consolidated annual / multi-annual project priorities list (and detailed descriptions);
	Organize bi-annual donor coordination meetings to discuss and agree priorities for funding;
Responsible institutions	MoFTER SAFFRD; Enity MAFWM's; specialized institutions; B&H Council of Ministers
Timetable / indicators	Coordination unit and coordination group established early 2008; Review process continuous
Goals/Comments	To ensure effective allocation and use of international donor funds in line with sector strategic priorities and regional requirements (in line with the Public Investment Program).

1.9 Establishment a	and development of B&H Agricultural Information System (inc. statistics)
	Establishment of Agricultural Information Coordination Committee and secretariat.
Activities	Progressively harmonize and strengthen the agriculture information system through introduction of common collection methodologies, recording of data and development of modern statistical activities
	Introduction of sector sampling surveys
	Development of Farm Performance Monitoring Service
Responsible	B&H Statistics Agency; FB&H Statistics Bureau; RS Statistics Bureau;
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable /indicators	AICC established by March 2008;
Goals/Comments	There is an urgent need to improve access to regular, reliable and accurate information on the sector to guide private and public sector planning and programming

1.10 Establishment of harmonized B&H farm and client register	
Activities	Establish pilot harmonized farm and client register and test system Design and procure all necessary hardware and software to support system
	Establish fully operational farm and client register at local level with entity and state level database recording system
Responsible institutions	MoFTER SAFFRD; Entity MAFWM's; BHAS.
Timetable / indicators	Registers piloted by end November 2007; main registers operational by beginning 2008; 80% of farmers registered by end of 2008.
Goals/Comments	The farm and client register will provide the basic building blocks for development of an effective payment system at all levels.

1.11 Conducting of B&H Agricultural Census	
Activities	Establish team to develop agricultural census, agree on methodology and timetable and coordinate funding; Develop and undertake pilot agricultural census; Design and deliver full agricultural census
Responsible institutions	BHAS; Entity Statistics Agencies; Entity MAFWM's; MoFTER SAFFRD.
Timetable / indicators	Pilot completed by early 2009; Full census completed by end 2010;
Goals/Comments	To improve allocation of financial resources from Support payments and other sector support services

1.12 Adjustment of customs duties on intermediate goods and equipment for strategic industries	
Activities	Establish working group to analysis the impact of current customs duties on intermediate goods and services. Propose / introduce customs duty adjustments in line recommendations from the working group, based on detailed analysis, on intermediate goods and equipment for strategic industries in the agri-food sector
Responsible	
institutions	B&H CoM; BHAS; Entity MAFWM's; MoFTER SAFFRD.
Timetable / indicators	WG established by end 2007; Adjustments introduced mid 2008;
Goals/Comments	It is anticipated that customs duties may be adjusted for products within the following areas: Wood processing, food processing, textiles, leather and footwear, metal industry, tourism, energy, information and communication technologies

1.13 Coordinate the negotiations for membership and compliance with WTO	
Activities	Establish a B&H Working Group for negotiation and compliance with WTO which will: - Prepare initial lists of concessions for goods following individual tariff lines and lists of obligations regarding services; - Prepare and hold multi-lateral negotiations at the WTO Secretariat at the meetings of the WTO Working Group for B&H - Coordinate establishment of 'enquiry points' in appropriate state institutions, in line with WTO agreements; - Coordinate harmonization of existing and adoption of new legislation based on WTO requirements;
	- Develop public awareness programme to inform companies and professional associations on WTO implications / obligations.
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	End 2007; On-going 2008;
Goals/Comments	Membership of the WTO remains a B&H national priority requiring cooperation and coordination at all levels.

1.14 Coordinate the negotiations for signing and gradual implementation of the Stabilization and Association Agreement (SAA) within the sector	
Activities	Establish a B&H Working Group for completing negotiations on signing of the SAA and coordinating its gradual implementation which will: - Prepare initial lists of concessions for goods following individual tariff lines and lists of obligations regarding services; - Prepare and participate in bi-lateral negotiations involving the sector with EU negotiators; - Coordinate harmonization of existing and adoption of new legislation based on SAA requirements; - Develop work plan for adoption of other institutional, legal, financial and other requirements to fulfill the SAA obligations within the sector over the next period.
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	End 2007; On-going 2008;
Goals/Comments	The signing of the SAA with the EU is a critical first step in the wider process of European integration and remains a B&H national priority requiring cooperation and coordination at all levels.

1.15 Development of proposals for tax relief for investment in the sector	
	Establish an agriculture fiscal working group
Activities	Develop proposals for the introduction of tax relief on specific investments in the agri-food sector
Responsible	
institutions	MoFTER SAFFRD, Entity MAFWM's; B&H Council of Ministers,
Timetable / indicators	Beginning 2008
Goals/Comments	To create conditions that will improve access to capital and attract investment to the sector.

1.16 Establish the B&H Agriculture Council	
	Nominate members to the B&H Agriculture Council
	Establish the B&H Agriculture Council
Activities	Establish secretariat
Activides	Regularly meet (bi-annually) to agree on strategic priorities for the sector and monitor progress in implementation of the Harmonization Strategic Plan
Responsible	
institutions	Mofter Saffrd; Entity Mafwm's; Com.
Timetable / indicators	Beginning 2008
Goals/Comments	To strengthen the institutional framework.

1.17 Establish accredited laboratories to meet international requirements for food safety (including veterinary and phytosanitary)	
Activities	Complete detailed inventory and develop detailed plan for rationalization and upgrade of core laboratories and staffing Develop detailed procurement plan and identify financial resources to fund upgrade Install new equipment and train staff in its use
	Establish and gain accreditation of laboratories for food quality control, diagnostic and reference laboratories
Responsible institutions	MoFTER SAFFRD; Entity MAFWM's; Expert institutions; B&H Agency for Standardization, Measurement (Metrology) and Intellectual Property
Timetable / indicators	Investment and upgrade plan developed by end 2007; Accreditation of at least two major laboratories underway by end 2008 All main laboratories accredited by end 2010
Goals/Comments	The system ¹ of quality control of imported and domestic goods. For the purpose of establishing a certification system and other procedures required to allow exports of agricultural products, in line with EC recommendations

1.18 Define research and education priorities and roles for the sector	
Activities	Establish working group to define research and education priorities in support of the sector Refine the status of professional institutions including: the Agricultural Institute (Sarajevo); Agronomic Institute (Mostar); Agricultural Institute (Banja Luka); Veterinary Institute "Dr. Vaso Butozan"; Institute for Agro-pedology of FB&H Livestock Breeding Center (Banja Luka); Agricultural Advisory Service, FB&H Agricultural Advisory Service, RS
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's; Specialized institutions; Cantons
Timetable / indicators	By end 2008
Goals/Comments	To establish a more rational allocation of resources, in line with private sector (predominantly small-scale) priorities.

 $^{^{1}}$ EC Report to the Council on 'preparation of B&H to start negotiations with the EU on the Stability and Association Agreement' Brussels, 18 November 2003, pp. 32 and 44.

1.19 Establish the Standardization Institute	
Activities	Establish the Standardization Institute ² and appoint the Manager
Responsible	
institutions	B&H Council of Ministers; MoFTER
Timetable / indicators	End 2008
Goals/Comments	Publicly advertise the position for Manager, Deputy and necessary staff

1.20 Establish the Institute for Metrology	
Activities	Establish the Institute for Metrology ³ and appoint the Manager
Responsible	
institutions	MoFTER; B&H Council of Ministers
Timetable / indicators	End 2008
Goals/Comments	Publicly advertise the position for Manager, Deputy and necessary staff

1.21 Establish the Institute for Intellectual Property	
Activities	Establish the Institute for Intellectual Property and ensure that it becomes fully operational ⁴ and appoint the Manager
Responsible	
institutions	MoFTER; B&H Council of Ministers
Timetable / indicators	End 2008
Goals/Comments	Publicly advertise the position of Manager, Deputy and necessary staff

1.22 Develop a National Rural Development Plan	
Activities	Establish inter-entity/state NRDP Preparation Committee Launch participatory planning process for its preparation, at all levels Develop draft NRDP with full and updated baseline analysis Conduct public participatory revision process on its scope, direction and content Finalize and officially adopt NRDP
Responsible institutions	MoFTER SAFRRD; Entity MAFWM's; CoM
Timetable / indicators	Begin consultative process in 2009 (following introduction of pilot RD measures in 2008); Complete and adopt NRDP by end 2010

² In line with the recommendations of the EC Feasibility Study 'Report of the EC to the Council on Preparedness of B&H to Start Negotiations on the Stability and Association Agreement with the EU', (EC Feasibility Study), Brussels, 18 November 2003, p. 23.

³ In line with the recommendations of the EC Feasibility Study 'Report of the EC to the Council on Preparedness of B&H to Start Negotiations on the Stability and Association Agreement with the EU', (EC Feasibility Study), Brussels, 18 November 2003, p. 23.

⁴ In line with the recommendations of the EC Feasibility Study 'Report of the EC to the Council on Preparedness of B&H to Start Negotiations on the Stability and Association Agreement with the EU', (EC Feasibility Study), Brussels, 18 November 2003, p. 23.

	The NRDP is a minimum requirement to apply for EU IPA-RD funds and
Goals/Comments	needs to be developed following guidelines defined by the European
	Commission.

1.23 Develop Operational Programmes (OP's) in line with the NRDP at state & entity level	
	Establish state and entity working groups to formulate OP's
Activities	Develop detailed OP's including workplans and budgets in line with NRDP framework;
	Develop detailed technical description documents for individual RD
	measures
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's; CoM
Timetable / indicators	Complete drafts in 2010; and launch OP's in 2011
	The NRDP will provide the overall common strategic framework within
Goals/Comments	which the entities will develop and implement detailed operational
	programmes

3.2 2nd Priority Axis: Enhance the quality and safety of domestic products with a competitive advantage in production, processing and trade

VETERINARY/ANIMAL HEALTH

2.1. Strengthen the capacity and improve performance accountability of the State Veterinary Office (see also 1.2. above)	
Activities	Agreement on detailed annual work plans and performance targets for the State Veterinary Office
	Establishment of monitoring committee to review progress on a quarterly basis
Responsible institutions	MoFTER SAFFRD; Monitoring Committee of SVO (to be est.); B&H CoM
Timetable/indicators	Establish coordination unit within MoFTER and Monitoring Committee by January 2008; Agree annual work plan and performance targets for SVO by January 2008; Undertake quarterly performance assessments and report to monitoring committee.
Goals/Comments	To introduce greater transparency and accountability of the SVO in fulfilling its legal obligations and linking its actions and priorities with overall sector strategic priorities ⁵

2.2 Gradually estal	olish an EU harmonized veterinary legislative framework
	Revise the Veterinary Law, Animal welfare law and Animal drug law to ensure they provide an appropriate platform for legal approximation / harmonization of all future by-laws with EU Regulations; Revise and update the entity veterinary laws in line with the B&H veterinary laws; Adopt the following by-laws in the field of veterinary medicine: - Ban on certain medical products to prevent harmful effects on food products (2001/82/EC, EC Regulation 1937/2002 & EEC Regulation 2377/90)
Activities	 Regulations on exceptional application of medical products for treating animals & regulations on records of treatment of animals Regulations on veterinary-sanitary inspection and control of food-processing firms on veterinary-sanitary conditions of suitability of food products for human consumption and conditions for storage of raw materials of animal origin Regulations on veterinary-sanitary conditions for imports of food products, raw materials, animal waste and animal feed (90/667/EEC) Regulations on veterinary-sanitary inspection and control of consignments in imports, exports and transit, Regulations on hygienic

⁵ EC Report to the Council on 'Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement' Brussels, 18 November 2003, pp. 20 and 44.

	conditions, as well as on technical and working conditions at the points of border inspection for the veterinary inspection service, as well as conditions on selection of personnel - Regulations on measures for protection from zoonoses and zoonotic
	agents in animals, food products of animal origin and livestock products (89/608/EEC, 92/117/EEC)
	- Regulations on handling animal-origin waste, on minimum hygienic and technical conditions for facilities and equipment in post-slaughter processes, as well as for collection, transport and processing of animal-origin wastes (90/667/EEC)
	- Regulations on veterinary conditions for exports and transit of live animals, setting eggs, animal seed (male), eggs (female), embryos and other potentially disease-carrying items (2000/20/EC, 2001/10/EC, 88/407/EEC, 90/429/EEC)
	- Regulations on veterinary-sanitary conditions for other products not covered by veterinary regulations, and which may be carriers of contagious diseases or represent a public health risk (92/65/EEC)
	- Regulations on classification of contagious diseases in animals, on methods of information dissemination, reporting and registering of
	contagious animal diseases, on ordering laboratory testing and methods, on sampling and procurement of equipment for diagnostic investigations (82/894/EEC, 85/11/EEC, 80/217/EEC, 92/119/EEC, 83/53/EEC)
	- Regulations on veterinary-sanitary conditions for production and marketing of animal-origin products, intended for human consumption, which may carry contagious diseases
	- Regulations that define conditions that must be met by collection centers, shippers and traders of animals, and regulations on defining and conducting any movements of animals
	- Regulations on measures to prevent contagious diseases in animals in
	the trade of fresh meat and in products from the meat of hoofed animals, fowls and game (72/461/EEC, 80/215/EEC, 91/494/EEC, 91/494/EEC),
Responsible	
institutions	B&H Veterinary Office, Entity MAFWM's, MoFTER SAFFRD
Timetable / indicators	Gradually over 2008-9
Goals/Comments	In line with EC recommendations ⁶

2.3	Strengthen legislative basis for regulation and control of animal feed	
		Adopt the B&H Law on Cattle Feed and relevant bylaws to include:
		- Cattle Feed Quality Regulations (74/63/EEC)
	Activities	- Regulations on Sampling Methodology and on Physical, Chemical and Microbiological Analysis of Cattle Feed (70/373/EEC, 2002/70/EC)
		- Regulations on Identification of Cattle Feed in Stores

 $^{^{6}}$ 'EC Report to the Council on Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement,' Brussels, 18 November 2003, p. 20.

	- Regulations on Additives in Cattle Food (70/524/EEC, EC Regulation No. 2188/2002, EC Regulation No. 1756/2002)
	Veterinary officers to be trained in testing animal feed contents and introduction of certificates to verify if feed is suitable for animal consumption
Responsible	
institutions	B&H Veterinary Office, Entity MAFWM's, MoFTER SAFFRD
Timetable / indicators	Main law to be adopted by end 2008; by-laws by end 2010;
Goals/Comments	In line with EC recommendations ⁷

2.4 Upgrade and extend the system for identification of animals	
Activities	Redesign and upgrade of the existing B&H system of cattle identification to allow for expansion of the system to meet current/ anticipated future EU requirements for identification, registration and movement traceability of cattle, sheep and goats
Responsible institutions	SVO; MoFTER SAFFRD; Entity MAFWM's;
Timetable / indicators	Redesign completed by mid 2008; Full system operational by end 2008;
	Registration of national cattle herd, sheep flock and goat flock completed by end 2010;
Goals/Comments	Upgrade of the system to be supported through World Bank loan finance
2.5 Establish B&H	Programme for control of contagious animal diseases
Activities	Develop and adopt a National Programme of Contagious Diseases Control Secure funding for its implementation at all levels
Responsible	Secure runding for its implementation at all levels
institutions	SVO, MoFTER SAFFRD; Entity MAFWM's.
Timetable / indicators	Programme to be developed by mid 2008; Funding and implementation by beginning 2009
Goals/Comments	To comply with international treaty obligations for control of contagious animal diseases (in line with OIE guidelines)

2.6 Establish National Plan for monitoring and control of TSE/BSE	
Activities	Secure funding for implementation of the National Plan of Monitoring and Control of TSE/BSE
	Establish Operational Programme for its effective implementation at all levels

 $^{^{7}}$ 'EC Report to the Council on Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement,' Brussels, 18 November 2003, p. 20.

Responsible	
institutions	SVO, MoFTER SAFFRD; Entity MAFWM's.
Timetable / indicators	National Plan developed and adopted by mid 2008; Operational programme by beginning of 2009
Goals/Comments	To comply with international treaty obligations for control of contagious animal diseases (in line with OIE guidelines)

2.7 Introduce a B&H Plan for emergency measures in veterinary medicine	
Activities	Develop and adopt the Plan of Emergency Measures in veterinary medicine including funding sources at all levels
710011055	Establish Operational Programme for its effective implementation at all levels
Responsible	
institutions	SVO, MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	National Plan developed and adopted by mid 2008; Operational programme by beginning of 2009 with allocated funding in place.
Goals/Comments	To comply with international treaty obligations for control of contagious animal diseases (in line with OIE guidelines) and with international food standards requirements (as defined in law on Food and relevant by-laws)

2.8. Establish veterinary agreements with FTA countries	
Activities	Revise and conclude veterinary agreements with the countries signatories to free trade agreements
Responsible institutions	SVO, MoFTER SAFFRD; Entity MAFWM's.
Timetable / indicators	Develop revised agreements by mid 2008; Sign all agreements by end 2008
Goals/Comments	These agreements will facilitate greater access of meat and meat products to export markets

2.9 Introduce a B&H Plan for emergency measures in veterinary medicine	
Activities	Develop and adopt the Plan of Emergency Measures in veterinary medicine including funding sources at all levels
	Establish Operational Programme for its effective implementation at all levels
Responsible	
institutions	SVO, MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	National Plan developed and adopted by mid 2008; Operational programme by beginning of 2009 with allocated funding in place.

Caala/Cammanha	To comply with international treaty obligations for control of contagious animal diseases (in line with OIE guidelines) and with international
Goals/Comments	food standards requirements (as defined in law on Food and relevant by-laws)

2.10 Establish a programme for safe disposal of animal waste	
	Undertake a detailed study of the situation regarding animal waste disposal in B&H.
Activities	Use recommendations to develop programme which may include establishment of a network of burial sites in line with EU regulations, building of suitable rendering plants etc.
	Develop and adopt a detailed programme for the safe disposal of animal-origin waste and secure funding for its implementation at all levels
Responsible	
institutions	SVO, MoFTER SAFFRD; Entity MAFWM's.
Timotable / indicators	Study completed by mid 2008; Detailed programme developed and adopted by end 2008; Programme implementation commenced
Timetable / indicators	beginning of 2009.
Goals/Comments	To gradually comply with EU regulations in this area.

2.11 Completion of privatisation of veterinary stations	
Activities	Under the supervision of the SVO, a plan for the gradual privatization of veterinary stations in FB&H will be implemented
Responsible	
institutions	SVO, MoFTER SAFFRD; Entity MAFWM's.
Timetable / indicators	Commenced in early 2008; Completed by mid 2009
Goals/Comments	To improve the effectiveness of the veterinary services I line with new animal health requirements and newly adopted legislation.

2.12 Certification of products of animal origin	
Activities	Establish an operational agency for certification of products of animal
	origin
Responsible	B&H Council of Ministers, associations of food industries, farmers'
institutions	associations, B&H Veterinary Office; Food Safety Agency
Timetable / indicators	End of 2008
Goals/Comments	For consumer protection in line with the EU standards.

PLANT HEALTH AND PROTECTION

2.13 Strengthen the capacity of the administration for plant health and protection	
Activities	Agreement on detailed annual work plans and performance targets for the Administration for the Plant Protection; Establishment of monitoring board to review progress on a quarterly basis
Responsible	
institutions	MoFTER SAFFRD; Council of Ministers
Timetable/indicators	Establish coordination unit by January 2008; Agree annual workplan and performance targets for APH by January 2008; Undertake quarterly performance assessments and report to monitoring board;
Goals/Comments	To introduce greater transparency and accountability of all executive agencies in fulfilling their legal obligations.

2.14 Strengthen Plant Protection Inspection Services	
Activities	Organize and harmonize the operations of the phytosanitary customs service, providing the necessary equipment, training and make available back-up laboratory diagnostic and analytical services at a restricted number of border crossings. The CoM will stipulate the conditions for carrying out border controls and identify points of entry on a proposal from the Administration, in accordance with Article 24 of the B&H Law on Plant Health Protection.
Responsible institutions	Responsible institutions: Council of Ministers, Plant Health Administration and Entities Inspectorate (phytosanitary services) and custom services
Timetable / indicators	Adopt sub-laws: end 2007 Implement sub-laws: end 2008 at latest
Goals/Comments	To simplify procedures and to fulfill requirements according to International Plant Protection Convention and harmonization with international standards (ISPMs)

2.15 Gradually establish EU harmonized legal framework for plant health and protection		
Activities	Prepare by-laws accompanying the B&H Law on Plant Health Protection. Priority is to transpose the following directives into national legislation:	
	- Council Directive 2000/29/EC Plant health (the Law must be implemented 2007/early 2008 together with designation of border inspection points and registration alignment (see below); - Council Directive 69/464/EEC - Potato cancer (<i>Synchytrium endobioticum</i>)	
	 Council Directive 69/465/EEC - Potato cyst (<i>Heterodera rostochiensis</i>) Council Directive 93/85/EEC - Potato ring rot (<i>Clavibacter michiganensis ssp. sepedonicus</i>) Council Directive 98/57/EC - Potato brown rot (<i>Ralstonia solanacearum</i>) 	

	Draft B&H laws prepared. Must be implement immediately to allow export and by end 2007 at latest.
	- EC Directive 98/22/EC - Border inspection point – minimum conditions
	by end 2008
	- Registration of producers and importers (92/90/EEC)
	- Establish the system for National authority/body to issue passports
	- Train inspectors to issue passports
	- Standardization of plant passports (92/105/EEC), by 2009
	- Protected areas (93/51/EEC, 92/70/EEC, 2000/35/EC)
	Prepare and implement sub-law by end 2009
	- Monitoring of pesticide content in food and agriculture products
	(94/30/EC, 94/29/EEC, 93/258/EEC)
	- Prepare and implement law by end 2009
	- Technical and organizational conditions that must be met by
	laboratories conducting diagnostic analyses of plant health
Responsible	
institutions	B&H CoM; B&H Plant Health Protection Administration; Entity MAFWM's
Timetable / indicators	Gradual implementation in line with above timetable up to end 2009
Goals/Comments	In line with EC recommendations ⁸

2.16 Establish legal framework for control of seeds and seedlings throughout B&H	
Activities	Develop and adopt relevant by-laws for seeds and seedlings regulation
Responsible	
institutions	B&H Council of Ministers; Entity MAFWM's; MoFTER SAFFRD.
Timetable / indicators	Final revision and completion of draft by laws by mid 2007; Sub-laws adoption by early 2008
Goals/Comments	In line with EC recommendations ⁹ .

2.17 Establish legal framework for protection of new plant varieties	
Activities	Based on the adopted B&H Law on Protection of New Plant Varieties, in line with EC recommendations ¹⁰ , new by-laws to be developed and adopted.
Responsible	
institutions	B&H CoM; Entity MAFWM's; Plant Health Administration
Timetable / indicators	Adopt secondary regulations: end- 2007
	Start implementation: first quarter (Q1) 2008
Goals/Comments	Law on Protection of the New Varieties of Plants adopted October 2004. Now need to prepare and adopt necessary sub-laws to

⁸ 'EC Report to the Council on Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement,' Brussels, 18 November 2003, p. 20.

⁹ 'EC Report to the Council on Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement,' Brussels, 18 November 2003, p. 20.

 $^{^{10}}$ 'EC Report to the Council on Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement,' Brussels, 18 November 2003, p. 20.

implement main Law

2.18 Establish legal framework for regulation of mineral fertilizers	
Activities	Based on the adopted B&H Law on Mineral Fertilizers, develop detailed by-laws in this area
Responsible	
institutions	B&H CoM; Entity MAFWM's; Plant Health Administration
Timetable / indicators	All secondary legislation adopted and implemented by end 2008
Goals/Comments	Secondary legislation still needs to be drafted and adopted to create precondition for the implementation of legislation in this area.

2.19 Establish app	ropriate legal framework for control of plant protection products
Activities	In line with EC recommendations ¹¹ revise the B&H Law on Phyto-Pharmaceutical Agents; incorporating Council Directive 91/41/EEC on marketing of plant protection products, with its amendments, as well as regulations concerning: - Bans and restrictions of sale and/or use of plant protection products containing certain active substances (79/117/EEC, 91/188/EEC);
	 Professional qualifications and other requirements for personnel performing assessments of plant protection products; User accountability for proper application of plant protection products; Application for extension of use of registered plant protection products.
Responsible	
institutions	B&H CoM; Entity MAFWM's; Plant Health Administration
Timetable / indicators	Adopt revised Law and sub-laws: end- 2008
Timetable / indicators	Agree budgets, staff, etc. and implement: end-2009
Goals/Comments	Law adopted November 2004 but needs revision because EU laws have since changed. Secondary legislation still needs to be drafted and adopted; approximation of the legislation especially with the adoption of implementing measures and setting up working procedures with clear responsibilities and chain of command procurement of new equipment in the analytical labs, training of the staff and accreditation according to ISO 17025. Detailed implementation plan with required staff and other resource must be prepared, agreed with Ministries, all necessary legislation adopted and resources obtained and trained.

 $^{^{11}}$ 'EC Report to the Council on Preparation of B&H to Start Negotiations with the EU on the Stability and Association Agreement,' Brussels, 18 November 2003, p. 20.

FOOD SAFETY AND HYGIENE

2.20 Complete the B&H Strategy and Operational Programme for Food Safety (OPFS)	
Activities	Appoint a coordinator to oversee the strategy completion and development and implementation of the OPFS Revise and update FAO draft strategy paper on Food Safety Conduct full consultative process, revise and adopt strategy Develop detailed OPFS and begin implementation
Responsible institutions	Food Safety Agency; MoFTER SAFFRD; Management Board of the Food Safety Agency; CoM
Timetable/indicators	Establish coordination unit by January 2008; Adopt strategy by mid 2008; Develop detailed OP by mid 2008; Begin implementation and undertake quarterly performance assessments by end 2008
Goals/Comments	To provide a coordinated and prioritized framework within which the B&H Food Safety system can be developed and promote greater transparency and accountability of relevant executive agencies supporting the FS system

2.21 Strengthen the capacity of the B&H Food Safety Agency	
Activities	Agreement on detailed annual work plans and performance targets for the Food Safety Agency
	Strengthening of the Management Board to review progress on a quarterly basis
Responsible institutions	Food Safety Agency; MoFTER SAFFRD; Management Board of the Food Safety Agency; CoM
Timetable/indicators	Establish coordination unit by January 2008; Agree annual workplan and performance targets for the FSA by January 2008; Undertake quarterly performance assessments and report to Management board;
Goals/Comments	To introduce greater transparency and accountability of all executive agencies in fulfilling their legal obligations.

2.22 Upgrading of the system to monitor foodstuffs	
	Revise and update the laws on Monitoring of Foodstuffs in both entities
Activities	Developing implementation framework and plan
	Secure funding and begin implementation
Responsible	Food Safety Agency; FB&H Ministry of Health, RS Ministry of Health
institutions	and Social Assistance, in cooperation with other ministries
Timetable / indicators	End 2008
Goals/Comments	To improve the efficiency of system for protection against infectious diseases

2.23 Establish effer	ctive legislative framework for regulation and control of food and food
Activities	In line with the valid EU legislation, adopt appropriate regulations on: - Food products sanitation and hygiene (Directive 93/43/EEC) - Food products marking (Directives 2000/13/EC, 89/396/EEC, 94/54/EC, 96/21/EC) - Additives (Directives 89/107/EEC, 94/34/EC, 94/35/EC, 95/2/EC) - Purity of additives (Directives 95/31/EC, 5/45/EC, 96/77/EC) - Official food control (Directives 89/397/EEC, 93/99/EEC) - Pesticide traces in food products (Directive 2002/79/EC) - Products and substances intended for contact with food products (Directives 89/109/EEC, 84/500/EEC 93/11/EEC, 93/10/EEC, 2002/72/EC, 78/142/EEC) - Marking of genetically-engineered food products (EC regulations 1139/98, 49/2000, 50/2000) - Food products for specific medical purposes (Directive 1999/21/EC) - Food products for special nutrition purposes (Directive 89/398/EEC) - Food product contaminates (Directives 2002/26/EC 2001/22/EC 38/344/EEC, EC Regulations 563/2002, 466/2001, 315/93) - Spring and mineral waters (Directives 80/777/EEC, 96/70/EEC, 80/778/EC) - Recipes for infant foods and subsequent stages (Directive 91/321/EEC) - Cereal-based foodstuffs and baby, infant and young children products (Directive 96/5/EC) - Spices (88/388/EEC) - Quality of fruit juices and related products (2001/112/EC) - Sampling and testing methods for control of food products (85/591/EEC)
Responsible institutions	Food Safety Agency; Food industry associations, Entity MAFWM's; MoFTER SAFFRD;
Timetable / indicators	Programme commenced by beginning 2008; Completed by end 2010
Goals/Comments	To harmonize regulations with the EU regulations, to strengthen the quality control and product safety.

2.24 Establish legal framework for regulation of non-alcoholic drinks	
Activities	Develop and adopt the B&H Law on Non-alcoholic Drinks
	Establish implementing mechanisms at all levels
Responsible institutions	Food Safety Agency; MoFTER; B&H Council of Ministers, Associations of food industry;
Timetable / indicators	Second half of 2008
Goals/Comments	Elimination of illegal production.

2.25 Develop network of accredited laboratories to support food safety system	
Activities	Modernize equipment and laboratories/institutes for food products
	control
Responsible	Food Safety Agency; Public health institutes (at all levels), veterinary
institutions	and agricultural institutes
Timetable / indicators	End 2008
Goals/Comments	To improve control of food products

2.26 Establish a B&H food quality labeling system	
Activities	Develop and control the national seal of quality, including promotional activities and support to construction of privately developed quality seals (e.g. by food industry associations)
Responsible institutions	Food Safety Agency; FB&H Ministry of Energy, Mining and Industry, RS Ministry of Economy, Energy and Development, Entity MAFWM's; Chambers of commerce
Timetable / indicators	Mid 2008
Goals/Comments	Visual marking of B&H products recognizable by quality.

2.27 Harmonize entity regulations on the work of entity institutes with the state laws on standardization, metrology and intellectual property	
Activities	Harmonize entity regulations on the work of entity institutes with the state laws on standardization, metrology and intellectual property
Responsible	
institutions	Food Safety Agency; MoFTER SAFFRD; Federation & RS Government
Timetable / indicators	Second half of 2008
Goals/Comments	Harmonization of the regulations at B&H level.

3.3 3rd Priority Axis: Support primary production with direct farm support measures to gradually align between entities and with EU mechanisms

3.1 Harmonise existing support schemes for commodities	
	Establish technical teams for the priority sub-sectors to define harmonizing options for each commodity/scheme (including teams for dairy; livestock; cereals; fruit and vegetables);
Activities	Select strategic product within the framework of implementation of the laws on subsidies;
	Agree on common levels of subsidy; Agree on common units of subsidy; Agree on common eligibility criteria
	Develop detailed document which defines all of the above
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's; CoM
Timetable / indicators	Early 2008
Goals/Comments	To ensure more efficient use of agricultural subsidies.

3.2 Define a range of complementary measures linked to harmonized commodity support schemes	
Activities	Sub-sector teams (defined above in 3.1.) to analyze the opportunities for introduction of complementary measures to improve productivity and quality of target commodities Detailed and harmonized measure designs in priority areas Budget planning for piloting and roll-out of new complementary measures
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's;
Timetable / indicators	Design of new complementary by mid 2008; launching of new measures by 2009 as pilot initiatives; full roll-out by 2010
Goals/Comments	Direct commodity support payments have not been effective to date in raising productivity levels in B&H. Other complementary schemes may prove effective in addressing structural weaknesses (e.g. dairy subsidies to be supported by animal feed improvement scheme, breed improvement scheme; animal health incentive programme etc.)

3.3 Introduce indirect and WTO compliant export incentives	
Activities	Provide indirect forms of export incentives, as permitted under WTO (and included within 'Green Box'), including: refunds of costs of veterinary, phytosanitary and quality inspections, compensations for transport, warehousing and processing costs, financing of consulting activities
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's;

Timetable / indicators	Mid 2008
Goals/Comments	To support the reduction of import dependency and increase export opportunities.

3.4 Establishment of Administration for the Harmonization of Payment Systems for the sector (as per priority 1)	
Activities	Drafting and agreement on structure, core functions and staffing of the Administration for the Harmonization of Payment Systems (AHPS) Drafting, agreement and adoption of AHPS Rulebook Selection and appointment of staff for the AHPS Training of staff of the AHPS (with support from relevant international projects)
	Development of new harmonized systems and procedures for support payments (in association with entity payment bodies)
Responsible institutions	MoFTER; Entity MAFWM's; B&H and Entity Ministries Of Finance; B&H CoM;
Timetable / indicators	Legal establishment of AHPS by mid 2008; Operational structure by end 2008; New payment procedures introduced and operational by January 2009; Gradual alignment with EU type payment systems ongoing
Goals/Comments	The AHPS is to be established as a transitional body to promote the introduction of EU type payment systems and procedures at Entity level. The structure will provide a range of services and support to the entities to improve efficiency, transparency and accountability for payments made to target beneficiaries in the sector.

3.5 Establishment of harmonized B&H farm and client register (as per priority 1)	
Activities	Establish pilot harmonized farm and client register and test system Design and procure all necessary hardware and software to support system
	Establish fully operational farm and client register at local level with entity and state level database recording system
Responsible	
institutions	Mofter Saffrd; Entity Mafwm's; Bhas.
Timetable / indicators	Registers piloted by end November 2007; main registers operational by beginning 2008; 80% of farmers registered by end of 2008.
Goals/Comments	The farm and client register will provide the basic building blocks for development of an effective payment system at all levels.

3.6 Cadastre law at B&H level	
Activity	Establish working group to develop the draft law and implementation plan (including detailed plans for any new institutional structures, investment needs etc); Undertake full consultative process, adjust and adopt the new B&H Cadastre law; Begin implementation
Responsible	MoFTER SAFFRD; Entity MAFWM's; Entity Administrations for Geodetic
Institution	Activities, state Ministry of Civil Affairs
Deadline	First half of 2009
Goals/Comments	To establish an integrated/ harmonized land register and cadastre system

3.4 4th Priority Axis: Increase competitiveness of the agri-food sector of B&H through indirect support measures for production, processing and trade

4.1 Develop framework measure for investment in agricultural holdings	
	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop plans for piloting of measures at local level
	Coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

4.2 Develop framework measure for investment in agro-processing	
	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop plans for piloting of measures at local level
	Coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

4.3 Develop framework measure for support to subsistence and semi-subsistence farming	
	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop plans for piloting of measures at local level
	Coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010

Goals/Comments To gradually introduce EU IPA-RD type measures in B&H

4.4 Develop framework measure for support for Farmer Groups	
Activities	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline) Develop plans for piloting of measures at local level
1.50110.55	Coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

4.5 Develop framework measure to provide incentives for young farmers	
	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop plans for piloting of measures at local level
	Coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

4.6 Establish a national promotional campaign to 'Buy Bosnian' agri-food products	
Activities	Establish coordination body/ unit to develop promotional campaign Develop promotional campaign proposal and budget
	Review and adopt proposals and launch the national 'Buy Bosnian' campaign at all levels
Responsible institutions	MoFTER SAFFRD; B&H Council of Ministers, B&H Foreign Trade Chamber, FB&H Government, RS Government
Timetable / indicators	Establish unit early 2008; Prepare promotional campaign by mid 2008; Launch campaign in early 2009
Goals/Comments	To simulate domestic production and reduce trade deficit.

4.7 Plan and schemes to increase irrigated areas of arable land (see also 5.14. below)	
Activities	Establish working group to develop plan for expansion of irrigated areas / rehabilitation of existing irrigated system/services which will define priorities, criteria for selection of projects and schemes to engage local communities in their development
	Revise and approve plan and investment program and begin implementation
Responsible Institution	Water management corporations of FB&H and RS, Entity MAFWM's, specialized institutions
Timetable / indicators	Pan developed and approved by mid 2008; Investment programme being implemented from mid 2008 onwards
Goals/Comments	The MTDS defines a target of increasing irrigated areas from 0.6% to 1.6% of arable land. This is intended to increase yields and the number of harvests where such systems are introduced. It is important that any investment programme in irrigation systems for upgrade or expansion should be coordinated with general water management projects and ensure that the areas are viable and the communities willing to support water user groups for maintenance of new systems.

4.8 Strengthen capacity of Foreign Investment Promotion Agency (FIPA)	
Activity	Strengthen capacity of Foreign Investment Promotion Agency (FIPA) and its offices in the entities.
Responsible	
Institution	MoFTER; B&H Council of Ministers,
Timetable / indicators	End 2008
Goals/Comments	To support agri-food export promotion

4.9 Establish B&H Agricultural market Information Service	
Activity	Establish operational unit ands secure budget for its operation
	Agree on target commodities and collection points for price information
	Develop publications and publish prices regularly (possibly establishing text message service for price update for subscribers)
Responsible	
Institution	MoFTER; B&H Council of Ministers.
Timetable / indicators	End 2008
Goals/Comments	To support agri-food trade and competitiveness

B&H STATE LEVEL AFRD OPERATIONAL PROGRAMME (2008-2010) 5th Priority Axis: Protect the rural environment of B&H through support for 3.5 agri-environmental programmes

5.1 Develop framework measure for piloting of agri-environmental initiatives	
	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop plans for piloting of measures at local level
	Coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

5.2 Develop framework measure for introduction of a B&H Code of Good Agricultural Practice (GAP)	
Activities	Establish working group to develop the detailed Code of GAP
	Conduct full consultative / analysis process at farm level (through inspection/extension services) on the likely impact of its gradual adoption /implementation
	Adapt and adopt the Code of GAP and disseminate widely
	Design pilot initiatives to encourage farmers to apply the GAP in the management of their farms
	Develop roll out plans and coordinate public awareness programme to maximize take-up of the new scheme
	Regularly monitor progress and impact of GAP on farming practices
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design GAP by end 2009; Pilot measures 2010; Roll-out in 2011; Fully EU IPARD compliant measures operational 2011/12
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

5.3 Develop framework measure for sustainable development of land and forests in mountainous areas	
Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)	
Activities	Develop plans for piloting of measures at local level Coordinate public awareness programme to maximize take-up of the new scheme Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's

Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

5.4 Develop framework measure for introduction of local (community) action groups in rural areas to promote local agro-environmental schemes	
	Establish LAG promotion unit at state level
	Conduct training programme in targeted local areas on approaches to LAG development
Activities	Design detailed pilot measure including eligibility criteria, level of aid and other requirements for promotion of LAG's
	Develop plans for piloting of measures at local level and coordinate public awareness programme to maximize participation in target areas
	Regularly monitor progress and impact of measure
Responsible institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2008; Pilot measures 2009; Roll-out in 2010; Fully EU IPARD compliant measures operational 2012
Goals/Comments	To gradually introduce EU IPA-RD / LEADER type measures in B&H
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

5.5 Develop programme to prioritise de-mining of primary agricultural land & key rural		
areas	areas	
	Establish a working group for strategic planning of de-mining of targeted areas and determine the priorities for de-mining of agricultural land	
Activity	Develop detailed plan and budget allocations linked to RD priorities and measure design / targeting	
	Coordinate implementation and regularly evaluate the impact on target areas	
Responsible		
Institution	MoFTER SAFFRD; Entity MAFWM's; MAC B&H	
Timetable / indicators	First half of 2008 complete plan; Implementation in line with plan ongoing	
Goals/Comments	Heavily mined rural areas are increasingly experiencing out-migration and abandonment. Where this can be reduced or halted due to the potential of agricultural land in target areas, further public investment in such programs is required. These should be undertaken in line with planned Public Investment Programs	

5.6 Develop effective system for agricultural land protection / zoning	
	Establish working group to harmonize policies and procedures for development of regional plans and issuance of zoning permits for agricultural land
Activity	Develop detailed plan and budget allocations linked to RD priorities and measure design / targeting
	Coordinate implementation and regularly evaluate the impact on target areas
Responsible Institution	Entity MAFWM's; Specialized institutions, FB&H Ministry of Environment and Tourism, RS Ministry of Regional Planning, Construction and Environment, Cantons
Timetable / indicators	Second half of 2008
Goals/Comments	It is essential to limit the loss of agricultural land in B&H to other types of land use. Vertical and horizontal coordination at the level of ministries of agriculture and of regional planning at all levels, with the goal to develop regional plans and specify steps for issuance of zoning permits related to agricultural land is required.

5.7 Develop sector	Natural Disaster Plan
Activity	Establish B&H sector disaster readiness committee Develop detailed contingency plans with entities Coordinate establishment of necessary institutional and legal infrastructure to allow disaster plans to be realized in the event of a disaster Intensify enforcement of prescribed measures for protection and rescue operations in natural catastrophes and other emergencies
Responsible	MoFTER SAFFRD; CoM; FB&H Government; RS Government; cantonal
Institution Timetable / indicators	governments Plan developed and operational by end 2008
Goals/Comments	Increase the level of readiness for prevention and protection from all types of emergencies that may affect the sector (inc. floods, storms, frosts, hailstorms, droughts, fires, earthquakes, unexploded ordnance, and mass epidemics of plant and animal diseases).

5.8 Establish B&H Organic Law and implementing framework	
Activity	Establish working group and develop detailed draft, reasoning and detailed budget for its implementation Adopt the Law on Organic Agriculture at state level (harmonized with relevant EU requirements) Implement plan for establishment of operational mechanisms for certification and monitoring of organic products
Responsible Institution Timetable / indicators	MoFTER SAFFRD; Entity MAFWM's WG established second half of 2008; Law developed and adopted by end 2008; Implementation framework established end 2009

Goals/Comments	To stimulate production (and potential export) of targeted organic
	products

FORESTRY AND WOOD INDUSTRY

5.9 Harmonize the entity laws on forestry (and by-laws)	
Activities	Establish working group and develop and adopt the laws on changes and amendments to the laws on forests in both entities
Responsible	
institutions	MoFTER SAFRRD; Entity MAFWM's
Timetable / indicators	End 2008
Goals/Comments	To ensure harmonization with relevant EU regulations and with the Law on Companies and the Law on State Enterprises in B&H

5.10 Strengthen forestry inspectorates	
Activities	Develop plan for gradual strengthening (both in numbers and in capacity/training) Strengthen forestry inspectorates by increasing in the number of inspectors
Responsible	
institutions	MoFTER SAFRRD; Entity Inspection Administrations
Timetable / indicators	End 2008
Goals/Comments	In FB&H, the number of federal and cantonal inspectors should be increased, hunting should be covered by hunting inspectorates.
	In RS, the number of republic-level inspectors should be increased, since the municipal forestry inspectorates were abolished.

5.11 Undertake a full forest inventory and establish monitoring system	
Activities	Establish working group and select the method for the forest survey/inventory
	Coordinate implementation of forest survey and publish results
	Develop an effective monitoring system following survey
Responsible	
Institutions	MoFTER SAFRD; Entity MAFWM's
Timetable / indicators	Second half of 2008 to complete design; Mid 2009 to complete inventory/ survey
Goals/Comments	To improve information and monitoring of valuable forestry reserves and use the information to improve inspection and illegal logging activities

5.12 Improve the legal framework for the wood industry	
	Legal approximate the following EU directives:
Activities	Directive 89/106/EEC - Construction products for windows,
	doors and construction elements, and harmonized standards

	 Directive 2001/95/EC on general product safety for furniture Directive on defective product liability
Responsible	- 11 -
Institution	B&H Council of Ministers
Timetable / indicators	End 2009
Goals/Comments	In order to achieve harmonization with EU regulations.

5.13 Establish a working body (institute) for research, development, standards and quality control in wood industry	
Activities	Establish a working body (institute) for research, development, standards and quality control in wood industry
Responsible Institution	FB&H Ministry of Energy, Mining and Industry, RS Ministry of Economy, Energy and Development in cooperation with the Foreign Trade Chamber
Timetable / indicators	End 2008
Goals/Comments	To monitor vital segments for wood industry.

5.14 Strengthen and stimulate university institutions training experts for wood industry	
Activity	Strengthen and stimulate university institutions training experts for wood industry
Responsible	RS Ministry of Education and Culture, FB&H Ministry of Education and
Institution	Science
Timetable / indicators	Continuously
Goals/Comments	To train well-educated experts in the field.

5.15 Increase monitoring and control of the trade in wood assortments	
Activity	Increase monitoring and control of the trade in wood assortments, strengthen the fines for violations, and accelerate procedure in the misdemeanor courts
Responsible Institution	FB&H Ministry of Trade, RS Ministry of Trade and Tourism, FB&H Ministry of Justice, RS Ministry of Justice
Timetable / Indicators	Second half of 2008
Goals/Comments	To eliminate the grey market in raw materials.

WATER SECTOR

5.16 Plan and schemes to increase irrigated areas of arable land	
Activities	Establish working group to develop plan for expansion of irrigated areas / rehabilitation of existing irrigated system/services which will define priorities, criteria for selection of projects and schemes to engage local communities in their development Revise and approve plan and investment program and begin
	implementation
Responsible Institution	Water management corporations of FB&H and RS, Entity MAFWM's, specialized institutions
Timetable / indicators	Pan developed and approved by mid 2008; Investment programme being implemented from mid 2008 onwards
Goals/Comments	The MTDS defines a target of increasing irrigated areas from 0.6% to 1.6% of arable land. This is intended to increase yields and the number of harvests where such systems are introduced. It is important that any investment programme in irrigation systems for upgrade or expansion should be coordinated with general water management projects and ensure that the areas are viable and the communities willing to support water user groups for maintenance of new systems.

5.17 Adopt the legislative framework harmonized with the Framework Directive on Water and with other relevant international conventions	
Activities	Implementation of the legislative framework harmonized with the EU Framework Directive on Water and with other relevant international conventions, including Law on Waters harmonized in both entities and preparation of the by-laws based on those water laws (in the entities), as the results of the reforms in the water sector
Responsible	
Institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Second half of 2008
Goals/Comments	To establish a transparent, efficient and economically sustainable integral water management, to be implemented at the level of the natural catchment area.

5.18 Establish an adequate institutional and financial support structure for the water sector in line with the EU Framework Directives	
Activities	Establish working group to design a plan for developing an institutional and financial structure for the water sector, in line with the EU Framework Directive on Waters. This will include detailed workplans, budgets and performance targets
	Revise and approve plan, secure finances and begin implementation
Responsible	MoFTER SAFFRD; Entity MAFWM's

Institutions	
Timetable / indicators	Plan approval by mid 2008; Implementation thereafter
Goals/Comments	To establish mechanisms (institutions) that will enable B&H to meet its international obligations, as well as to establish bi- or multi-lateral cooperation. Creation of mechanisms for resolution of inter- entity disputes.
	To establish a transparent, efficient and economically sustainable integral water management system, to be implemented at the level of the natural catchment area.

5.19 Improve exist	5.19 Improve existing flood protection systems	
Activities	Establish working group to coordinate improvements in existing flood protection systems which will include: (i) Restoring existing flood control facilities along the Sava and Neretva rivers, and in certain urban communities, to achieve pre-war level of protection of the population and the economy and create preconditions for intensification of agriculture, which is the development mainstay in those areas; (ii) Regulate riverbeds and flood-streams (either by restoring old and neglected facilities or construction of new ones), to provide protection from floods and erosion of valuable agricultural land, and prevent occurrences of major landslides, to facilitate development in the vulnerable areas; (iii) Demining of protection facilities and adjacent areas, to permit their restoration ¹²	
Responsible Institutions	MoFTER SAFFRD; Entity MAFWM's; Entity Public water Authorities; Competent Cantonal Ministries, Municipalities	
Timetable / indicators	Plan by end 2008; Begin implementation early 2009	
Goals/Comments	To strengthen flood protection systems in key agriculture areas.	

5.20 Improve supply and quality of potable water to rural areas	
Activities	Establish a working group to promote supply of potable water in rural areas ¹³ including development of schemes to transport sufficient safe water to remote rural settlements; incentives to reduce losses in rural water supply systems; incentives to establish connections to public water supply systems; Improve mechanisms for collection of water supply and sewerage services and regulate illegal connections and local rural water supply systems to ensure commercial viability of the system; Protect existing and potential sources of potable water in rural areas and improve and monitor the quality of water used by rural population
Responsible Institutions	MoFTER SAFFRD; Entity MAFWM's; Entity Public water Authorities; Competent Cantonal Ministries, Municipalities
Timetable / indicators	Plan developed by mid 2008; Implemented progressively through

 $^{^{-12}}$ In line with the Action Plan of the PRSP Section on Deminining for areas in question

 $^{^{\}rm 13}$ For specific projects, see the B&H Public Investment Program

	2008-2010
Goals/Comments	To improve the water supply systems.

3.6 6^{th} Priority Axis: Diversify rural activities and improve the quality of life in areas

6.1 Develop framework measure for agro-tourism, crafts and other non-agriculture resource based activities	
Activities	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
	Develop plans for piloting of measures at local level; Coordinate public awareness programme to maximize take-up of the new scheme; Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

6.2 Develop framework measure for investment in rural infrastructure (i.e. water, roads, rural services etc.)	
Activities	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
	Develop plans for piloting of measures at local level; Coordinate public awareness programme to maximize take-up of the new scheme; Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

6.3 Develop framework measure for investment in rural SME's	
A shirida sa	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop plans for piloting of measures at local level; Coordinate public awareness programme to maximize take-up of the new scheme; Regularly monitor progress and impact of measure
Responsible	MoFTER SAFFRD; Entity MAFWM's

institutions	
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H
6.4 Develop frame	work measure for introduction of local (community) action groups in
rural areas to promote	local /regional diversification (see also measure 5.3 above)
	Establish LAG promotion unit at state level Conduct training programme in targeted local areas on approaches to LAG development; Design detailed pilot measure including eligibility
Activities	criteria, level of aid and other requirements for promotion of LAG's; Develop plans for piloting of measures at local level and coordinate public awareness programme to maximize participation in target areas; Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's
Timetable / indicators	Design measure by end 2008; Pilot measures 2009; Roll-out in 2010; Fully EU IPARD compliant measures operational 2012
Goals/Comments	To gradually introduce EU IPA-RD / LEADER type measures in B&H

6.5 Develop framework measure for promotion of gender and minority rights in rural areas	
Activities	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
	Develop plans for piloting of measures at local level; Coordinate public awareness programme to maximize take-up of the new scheme; Regularly monitor progress and impact of measure
Responsible	
institutions	MoFTER SAFFRD; Entity MAFWM's; gender centres
Timetable / indicators	Design measure by end 2007; Pilot measures 2008; Roll-out in 2009; Fully EU IPARD compliant measures operational 2010
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H. The main goal is to support women through education, employment, access to credit and representation in rural institutions and associations and overall implementation of the principles of gender equality in rural areas.

6.6 Development	framework measure to strengthen Sector Vocational Education
	Establish working group to design detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline)
Activities	Develop and test a pilot model in a target institution to rationalise and modernize the agriculture vocational education
	Coordinate targeted awareness raising programme to maximize take- up of the new scheme; Regularly monitor progress and impact of

	measure
Responsible Institutions	MoFTER SAFFRD, Entity MAFWM's; FB&H Ministry of Education and Science and RS Ministry of Education and Culture, Cantonal ministries of education
Timetable / indicators	End 2008 plan developed and piloted; Full implementation in 2009;
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

6.7 Development framework measure to promote continuing education for farmers and strengthen the system of education of specialists for agriculture and veterinary medicine	
Activities	Establish working group to design a measure to promote continuing education for farmers and strengthen the system of education of specialists for agriculture and veterinary medicine. The group will design the detailed measure including eligibility criteria, level of aid and other requirements (see annex for draft outline); Develop plans for piloting of measures at local level; Coordinate public awareness programme to maximize take-up of the new scheme; Regularly monitor progress and impact of measure
Responsible Institutions	MOFTER SAFFRD; Entity MAFWM's; specialized training and education institutions, regional and local advisory services
Timetable / indicators	End 2008 plan developed and piloted; Full implementation in 2009;
Goals/Comments	To gradually introduce EU IPA-RD type measures in B&H

Work plan

		20	800	20	09	2	010
1	1st Priority Axis: Establish the required institutional capacity, coordination and implementation mechanisms, at all levels						
1.1	MoFTER SAFFRD Reorganisation, expansion and overall strengthening						
1.2	Strengthen the coordination and monitoring of state level executive agencies in support of the sector in veterinary, phytosanitary and food safety						
1.3	Establishment of Administration for the Harmonization of Payment Systems for the sector						
1.4	Reorganise inspectorate services in line with EU and other international requirements						
1.5	Harmonisation of existing primary laws and regulations						
1.6	Harmonisation of relevant by-laws and regulations						
1.7	B&H sector legal approximation plan						
1.8	Establishment of effective coordination mechanism(s) for sector support projects funded by international donors						
1.9	Establishment and development of B&H Agricultural Information System (inc. statistics)						
1.10	Establishment of harmonized B&H farm and client register						
1.11	Conducting of Agricultural Census						
1.12	Adjustment of customs duties on intermediate goods and equipment for strategic industries						
1.13	Coordinate the negotiations for membership and compliance with WTO						
1.14	Coordinate the negotiations for signing and gradual implementation of the Stabilization and Association Agreement (SAA) within the sector						
1.15	Development of proposals for tax relief for investment in the sector						
1.16	Establish the B&H Agriculture Council						
1.17	Establish accredited laboratories to meet international requirements for food safety (including veterinary and phytosanitary)						
1.18	Define research and education priorities and roles for the sector						
1.19	Establish the Standardization Institute						
1.20	Establish the Institute for Metrology						
1.21	Establish the Institute for Intellectual Property						
1.22	Develop a National Rural Development Plan						
1.23	Develop Operational Programmes (OP's) in line with the NRDP at state & entity level						

		200	08	200	9	2	010
2	2nd Priority Axis: Enhance the quality and safety of domestic products with a competitive advantage in production, processing and trade						
2.1	Strengthen the capacity and improve performance accountability of the State Veterinary Office (see also 1.2. above)						
2.2	Gradually establish an EU harmonized veterinary legislative framework						
2.3	Strengthen legislative basis for regulation and control of animal feed						
2.4	Upgrade and extend the system for identification of animals						
2.5	Establish B&H Programme for control of contagious animal diseases						
2.6	Establish National Plan for monitoring and control of TSE/BSE						
2.7	Introduce a B&H Plan for emergency measures in veterinary medicine						
2.8	Establish veterinary agreements with FTA countries						
2.9	Introduce a B&H Plan for emergency measures in veterinary medicine						
2.10	Establish a programme for safe disposal of animal waste						
2.11	Completion of privatisation of veterinary stations						
2.12	Certification of products of animal origin						
2.13	Strengthen the capacity of the administration for plant health and protection						
2.14	Strengthen Plant Protection Inspection Services						
2.15	Gradually establish EU harmonized legal framework for plant health and protection						
2.16	Establish legal framework for control of seeds and seedlings throughout B&H						
2.17	Establish legal framework for protection of new plant varieties						
2.18	Establish legal framework for regulation of mineral fertilizers						
2.19	Establish appropriate legal framework for control of plant protection products						
2.20	Complete the B&H Strategy and Operational Programme for Food Safety (OPFS)						
2.21	Strengthen the capacity of the B&H Food Safety Agency						
2.22	Upgrading of the system to monitor foodstuffs						
2.23	Establish effective legislative framework for regulation and control of food and food products						
2.24	Establish legal framework for regulation of non-alcoholic drinks						
2.25	Develop network of accredited laboratories to support food safety system						
2.26	Establish a B&H food quality labeling system						
2.27	Harmonize entity regulations on the work of entity institutes with the state laws on standardization, metrology and intellectual property						

	Detailed Priority Actions		8	2009	2010
3	3rd Priority Axis: Support primary production with direct farm support measures to gradually align between entities and with EU mechanisms				
3.1	Harmonise existing support schemes for commodities				
3.2	Define a range of complementary measures linked to harmonized commodity support schemes				
3.3	Introduce indirect and WTO compliant export incentives				
3.4	Establishment of Administration for the Harmonization of Payment Systems for the sector (as per priority 1)				
3.5	Establishment of harmonized B&H farm and client register (as per priority 1)				
3.6	Cadastre law at B&H level				

	Detailed Priority Actions	2008	2009	2010
4	4th Priority Axis: Increase competitiveness of the agri-food sector of B&H through indirect support measures for production and processing			
4.1	Develop framework measure for investment in agricultural holdings			
4.2	Develop framework measure for investment in agro-processing			
4.3	Develop framework measure for support to subsistence and semi-subsistence farming			
4.4	Develop framework measure for support for Farmer Groups			
4.5	Develop framework measure to provide incentives for young farmers			
4.6	Establish a national promotional campaign to 'Buy Bosnian' agri-food products			
4.7	Plan and schemes to increase irrigated areas of arable land (see also 5.14. below)			
4.8	Strengthen capacity of Foreign Investment Promotion Agency (FIPA)			
4.9	Establish B&H Agricultural market Information Service			

	Detailed Priority Actions	2	800	200	9	2010	
5	5th Priority Axis: Protect the rural environment of B&H through support for agri-environmental programmes						
5.1	Develop framework measure for piloting of agri-environmental initiatives						
5.2	Develop framework measure for introduction of a B&H Code of Good Agricultural Practice (GAP)						
5.3	Develop framework measure for sustainable development of land and forests in mountainous areas						
5.4	Develop framework measure for introduction of local (community) action groups in rural areas to promote local agro-environmental schemes						
5.5	Develop programme to prioritise de-mining of primary agricultural land & key rural areas						
5.6	Develop effective system for agricultural land protection / zoning						
5.7	Develop sector Natural Disaster Plan						
5.8	Establish B&H Organic Law and implementing framework						
5.9	Harmonise the entity laws on forestry (and by-laws)						
5.10	Strengthen forestry inspectorates						
5.11	Undertake a full forest inventory and establish monitoring system						
5.12	Improve the legal framework for the wood industry						
5.13	Establish a working body (institute) for research, development, standards and quality control in wood industry						
5.14	Strengthen and stimulate university institutions training experts for wood industry						
5.15	Increase monitoring and control of the trade in wood assortments						
5.16	Plan and schemes to increase irrigated areas of arable land						
5.17	Adopt the legislative framework harmonized with the Framework Directive on Water and with other relevant international conventions						
5.18	Establish an adequate institutional structure of the water sector in line with the EU Framework Directives						
5.19	Improve existing flood protection systems						
5.20	Improve supply and quality of potable water to rural areas						

	Detailed Priority Actions	200	8	2009	2010
6	6th Priority Axis: Diversify rural activities and improve the quality of life in rural areas				
6.1	Develop framework measure for agro-tourism, crafts and other non-agriculture resource based activities				
6.2	Develop framework measure for investment in rural infrastructure (i.e. water, roads, rural services etc.)				
6.3	Develop framework measure for investment in rural SME's				
6.4	Develop framework measure for introduction of local (community) action groups in rural areas to promote local /regional diversification (see also measure 5.3 above)				
6.5	Develop framework measure for promotion of gender and minority rights in rural areas				
6.6	Development framework measure to strengthen Sector Vocational Education				
6.7	Development framework measure to promote continuing education for farmers and strengthen the system of education of specialists for agriculture and veterinary medicine				

Annex 1

The list of existing laws in agriculture on state level which require harmonisation of entities and Brcko District legislation

A. B&H Veterinary Law (B&H OG 34/02)

One year after the day of this Law entered into a force, entities were obliged to adapt the RS Law on Animal Health Care and Veterinary Practice (RS Official Gazette no: 11/95, 10/97 and 52/01) as well as the FBiH Veterinary Law (Official Gazette of FBiH no 46/00) to this Law. Within six months of the entering into force of this Law, the Veterinary Chambers of Entities shall be established or modified in compliance to this Law.

B. B&H Law on Plant Health Protection (B&H OG 23/03)

Competent bodies of the Entities and Brcko District shall make and harmonise its own legislation in accordance with provision of this Law.

In addition, phytosanitary services of the entities and Brcko District should ensure unified enforcement of the plant health procedures and measures within inspectors' reference books, carry out inspection of plant health, provide vocational training for inspectors, co-operate in regulations drafting process and carry out other tasks as stipulated by the law or other regulations.

Entities and Brcko District shall render regulations governing the phytosanitary protection, which are contrary to the provisions of this Law.

C. B&H Law on Mineral Fertilizers (B&H OG 46/04)

It was regulated that entities and Brcko District regulations on this field shall be applied solely if not colliding with this Law. Entites and Brcko district needs to revise their own legislation in this field and annul provisions which are contrary to the provisions of this Law.

D. B&H Law on Seeds and Seedling of Agricultural Plant (B&H OG 03/05)

Regulations of entities which regulate the area of production, preparation for marketing, import and marketing of the seed and planting material of agricultural plants shall be harmonised with provisions of this Law not later than the time when by-laws are passed as quoted in the Article 80 of this Law.

Annex 2

Outline framework measures:

- A) Investment in Agricultural holdings
- B) Investment in Agro-processing
- C) Investment incentives for young farmers
- D) Support for subsistence and semi-subsistence farming
- E) Support for producer groups
- F) Development of a Code of Good Agricultural Practice (GAP)
- G) Sustainable management of land and forests in mountainous areas
- H) Natural disaster recovery
- I) Investment in rural diversification activities
- J) Investment in rural infrastructure
- K) Local development actions
- L) Vocational training

A) Investment in Agricultural holdings

Measure	Investment in agricultural holdings
Reference	
Rationale of the measure	Increasing the competitiveness of the agricultural sector does not only require an improvement of the productivity of the human capital, but also of the productivity of the physical capital. Modernization of farms is crucial to improve their economic performance through better use of the production factors including the introduction of new technologies and innovation, targeting quality, organic products and on farm diversification, including non-food sectors and energy crops as well as improving the environmental, occupational safety, hygiene and animal welfare status of the holding.
Content of the measure	Support is provided to tangible or intangible investments in agricultural holdings aimed at the modernization of production techniques. Eligible investments could be the construction, acquisition or improvement of immovable property, the purchase or lease-purchase of new machinery and equipment and general costs linked to
T	expenditure such as patent rights and licenses.
Target group	Farmers
Target area	To be defined

Measure	Supporting farmers who participate in food quality schemes
Reference	
Rationale of the measure	Food quality, understood as a higher quality than required under the obligatory standards, can bring added value for agricultural primary products and enhance market opportunities for producers. Support must be given to farmers to participate in such quality schemes providing at the same time consumers with assurances on the quality of the product and the production process.
Content of the measure	Annual incentive payments can be paid as a compensation for the costs from participation in quality schemes. The schemes are Community schemes or Member State schemes complying with certain criteria. The level of payment is determined by the level of fixed costs following the participation in the scheme. Fixed costs means costs incurred for entering and participating in such a scheme.
Target group	All farmers producing agricultural products for human consumption
Target area	

A) Investment in Agro-processing

Measure	Investment in agro-processing / adding value to agricultural and forestry products
Reference Rationale of the measure	The added value to agricultural and forestry products can be improved by modernizing and improving the efficiency in the processing and marketing, promoting the processing of agricultural and forestry production for renewable energy, introducing new technologies and innovation, opening new market opportunities with emphasis on quality, improving environmental protection, occupational safety, hygiene and animal welfare.
Content of the measure	Value added can be increased through investments in the processing and marketing of existing products, and in the investment in the development of new products, processes and technologies. Eligible investments could be the construction, acquisition or improvement of immovable property, the purchase or lease-purchase of new machinery and equipment and general costs linked to expenditure such as patent rights and licenses.
Target group	For agricultural products, enterprises of a certain size (micro, small and medium sized enterprises and enterprises with less than 250 employees or with a turnover of less than KM 5 million engaged in the processing and marketing of primary agricultural products. In the case of forestry, support shall be limited to micro-enterprises
Target area	Not specified

Measure	Cooperation for development of new products, processes and technologies in the agri-food sector and in the forestry sector
Reference	
Rationale of the measure	In a context of increased competition, it is important to ensure that the agriculture and food sector and the forestry sector can take advantage of market opportunities through widespread innovative approaches in developing new products, processes and technologies. For this purpose, cooperation initiatives should be encouraged.
Content of the measure	Costs for cooperation for the development of new products, processes and technologies in the agricultural, food and forestry sector include : - preparatory operations, including design, product, process or technology development
	- tests and other tangible and/or intangible investments related to the cooperation, before application of the newly developed products/processes/technologies.
Target group	Organizations/entities gathering primary producers in agriculture and forestry, the processing industry and/or third parties for the purpose of developing new products, processes and technologies.
Target area	Not specified

B) Investment incentives for young farmers

Measure	Setting up of young farmers
Reference	
Rationale of the measure	Against the context of an ageing agricultural labor force, the future of the farmers' profession must be ensured. Young farmers can bring new skills and energy, and a more professional management to the farming sector. Consequently, a high level of young farmers will lead to increased adaptability in the face of new challenges, higher labor productivity and thus to enhanced competitiveness.
Content of the measure	Support to the setting up of young farmers includes support to facilitate the initial establishment and the structural adjustment of their holding afterwards. Young farmers shall submit a business plan for the development of their farming activities.
Target group	Young farmers under 40 years of age setting up for the first time on an agricultural holding as head of the holding
Target area	To be defined

C) Support for subsistence and semi-subsistence farming

Measure	Supporting subsistence and semi-subsistence agricultural holdings undergoing restructuring
Reference	
Rationale of the measure	The measure on semi-subsistence farming for the New Member States was introduced through the Treaty of Accession of 2003 in order to help ease transitional problems as the agricultural sector and rural economy of the new Member States exposed to the competitive environment of the single market. This measure will be available during this programming period to ensure a smooth transition of the new programming period to the new member states .
Content of the measure	Support will be provided to agricultural holdings on the condition of the elaboration of a business plan.
Target group	Farmers producing primarily for own consumption and bringing only a fraction of output to the market
Target area	To be defined / LFA's

D) Support for producer groups

Measure	Supporting setting up of producer groups
Reference	
Rationale of the measure	Strengthening the institutional structure of the primary sector in order to survive in a market driven environment by giving incentives for farmers to unite and cooperate.
Content of the measure	The support is provided as an annual installment calculated as a percentage of the annual marketed production of the producer group. Support is granted for the first 5 years following the date on which the producer group was recognized. This payment shall facilitate the setting up and administrative operation of producer groups in order to: - adapt the production of members of such groups to market requirements - place jointly goods on the market, including preparation for sale, centralization of sales and supply to bulk buyers - establish common rules on product information
Target group	Producer groups officially registered with their relevant Ministry
Target area	To be defined

Measure	Supporting producer groups for information and promotion activities for products under food quality schemes
Reference	
Rationale of the measure	A quality agricultural product needs to be accompanied with adequate marketing to improve its market opportunities. Improving consumers' information on the existence and specifications of the quality schemes will raise consumers' awareness about the availability of high quality products.
Content of the measure	The information and promotion activities eligible for support shall be activities designed to induce consumers to buy the agricultural products or foodstuffs covered by quality schemes included in the rural development programme under the measure "participation of farmers in food quality schemes". Such activities shall draw attention to the specific features or advantages of the products concerned, notably the quality, specific production methods, high animal welfare standards and respect for the environment linked to the quality scheme concerned, and may include the dissemination of scientific and technical knowledge about these products. Such activities could include, in particular, the organisation of, and/or participation in, fairs and exhibitions, similar public relations exercises and advertising via the different channels of communication or at the points of sale.
Target group	Organizations of whatever legal form (excluding professional and/or inter-professional organizations representing one or more sectors) which bring together operators participating in a quality scheme
Target area	To be defined

Target group	Producer groups officially registered with their relevant Ministry
Target area	To be defined

E) Development of a Code of Good Agricultural Practice (GAP)

Measure*	Animal welfare payments
Reference	
Rationale of the measure	Animal welfare payments are needed to encourage farmers to adopt high standards of animal husbandry which go beyond the relevant mandatory standards. These standards are the answer to society's demand for more welfare compatible animal husbandry.
Content of the measure	Animal welfare payments can be granted to farmers who make voluntary animal welfare commitments for a period between 5 and 7 years. These commitments must go beyond the relevant mandatory standards (established under B&H law). The payments are annual payments per livestock unit and shall cover the following costs: additional costs due to the commitment; income foregone due to the commitment; where necessary, they may also cover transaction costs.
	Commitments can concern the following activities: improvement of feeding facilities; free outdoor access
Target group	Farmers who make on a voluntary basis animal welfare commitments going beyond the relevant mandatory standards
Target area	(Not relevant)

F) Sustainable management of land and forests in mountainous areas

Measure	Agri-environment pilot schemes
Reference	
Rationale of the measure	Agri-environmental instruments are needed to support the sustainable development of rural areas and to respond to society's increasing demand for environmental services. The payments granted under this measure must encourage farmers and other land managers to serve society as a whole by introducing or continuing to apply agricultural production methods compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity
Content of the measure	The agri-environment payments can be granted to farmers or other land managers who make a voluntary agri-environmental commitment for a period between 5 and 7 years. These commitments must go beyond the mandatory standards established under B&H law as well as minimum requirements for fertilizer and plant protection product use and other relevant mandatory requirements established by national legislation and identified in the programme The payments are annual payments per ha or per livestock unit and shall cover the following costs: - Additional costs due to the commitment - Income forgone due to the commitment

	- Where necessary, they may also cover transaction costs
	Commitments can concern the following activities:
	- Organic farming
	- Integrated production
	- Other extensification of farming systems: fertilizers reduction, pesticides reduction and extensification of livestock
	- Crop rotation, maintenance of set-aside areas
	- Actions to prevent or reduce soil erosion
	- Genetic resources (local breeds in danger of being lost to farming, plat under threat of genetic erosion)
	- Biodiversity conservation and enhancement actions
	- Upkeep of the landscape including conservation of historical features on agricultural land
Target group	Farmers who make on a voluntary basis agri-environmental commitments, going beyond the relevant mandatory Community and national standards (see content of the measure). Where justified to achieve environmental objectives, agri-environment payments may be granted to other land managers.
Target area	(Not relevant)

Measure	Natural handicap payments to farmers in mountain areas
Reference	
Rationale of the measure	In order to avoid land abandonment, natural handicap payments in mountain areas are needed to offset the additional costs incurred by farmers following the continued use of agricultural land in these areas. Land abandonment has negative consequences for the countryside and the environment. These payments will contribute to maintaining and promoting sustainable farming systems.
Content of the measure	Natural handicap payments compensate for farmers' additional (production) costs and income forgone (due to a reduction in value of farm output) related to the handicap for agricultural production in the area. Payment is granted annually as an amount per ha of utilized agricultural area.
Target group	Farmers who, for at least five years from the first payment, pursue their farming activity in mountain areas, designated by their country as being eligible for this support

Target area	Mountain areas are characterized by a considerable limitation of the possibilities for using the land and an appreciable increase in the cost of working it due: (a) to the existence, because of altitude, of very difficult climatic conditions, the effect of which is substantially to shorten the growing season, (b) at a lower altitude, to the presence over the greater part of the area in question of slopes too steep for the use of machinery or requiring the use of very expensive special equipment, (c) problems of accessibility or to a combination of these different factors, where the handicap resulting from each taken separately is less acute but the combination of the two gives rise to an equivalent handicap.
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Measure	Restoring forestry potential and introducing prevention actions
Reference	
Rationale of the measure	Special support is needed for restoring forestry potential in forests damaged by natural disasters and fire, and for introducing preventive actions in order to maintain the environmental and economical role of these forests.
Content of the measure	Many types of actions can be supported. Examples are: - Preventive investments reducing the consequences of forest fires e.g. forest fire breaks, waterpoints, forest roads, preventive forestry, - Investments to restore the forest in its state before the disaster
Target group	Forest holders who restore forestry potential in forests damaged by natural disasters and fire and who introduce appropriate prevention actions
Target area	 Forests damaged by natural disasters and fire Preventive actions: forests classified as high or medium forest fire risk according to the forest protection plans of the Member States

G) Natural disaster recovery

Measure	Restoring agricultural production potential damaged by natural disasters and introducing appropriate prevention actions
Reference	
Rationale of the measure	The speed at which production potential can be restored after a natural disaster is essential in securing the markets and thus the farmer's income. It is also essential to invest in prevention actions to counter the possible consequences of probable natural disasters.
Content of the measure	Many types of actions can be supported. Examples are: Preventive investments reducing the consequences of floods, forest fires, and Investments that restore the physical capital in its state before the disaster
Target group	To be defined
Target area	Areas susceptible of natural disaster or areas damaged by natural disaster

H) Investment in rural diversification activities

Measure	Diversification into non-agricultural activities
Reference	
Rationale of the measure	The measures under axis 3 should contribute to the overarching priority of the creation of employment opportunities in rural areas in non-agricultural activities and services. This as an answer on the trends in many parts of Europe towards economic and social decline as well as depopulation of the countryside. Diversification is necessary for growth, employment and sustainable development in rural areas, and thereby contributes to a better territorial balance, both in economic and social terms. The objective of diversification is also to maintain or increase the income of the farm households.
Content of the measure	The measure foresees support to members of a farm household who diversify in non agricultural activities. There are different categories of non-agricultural activities that can be supported e.g.: - service activities: e.g. bed and breakfast, education and social activities on farm, craft activities: e.g. pottery, production of local products, - trade activities: e.g. creation of store attached to the farm where self-
Target group	made products are sold directly to the customer A member of the farm household
Target group	
Target area	Not specified

Measure	Support for new rural business creation and development
Reference	
Rationale of the measure	In order to reverse the negative trends of economic and social decline and depopulation, seen in many parts of the European countryside, support should be provided for setting up and developing microbusinesses. This can help to promote entrepreneurship and develop the economic structure in rural areas, thus contributing to the overarching Lisbon strategy of the creation of employment opportunities.
Content of the measure	The measure gives support to existing micro enterprises or to persons that will set up a new micro-enterprise in a non-agricultural business.
Target group	Micro enterprises of less than 10 workers and less than 1 M KM of turnover
Target area	(not relevant)

Measure	Encouragement of rural tourism activities
Reference	
Rationale of the measure	In order to reverse the negative trends of economic and social decline and depopulation, seen in many parts of the European countryside, support should be provided for the encouragement of tourism activities. Tourism is a major growth sector in many rural areas and thereby creates new employment opportunities and increases the overall attractiveness of the rural area.
Content of the	The support under this measure shall cover: - small scale infrastructure as information centers and sign posting of tourist sites
Content of the measure	- recreational infrastructure such as that offering access to natural areas, and small capacity accommodation
	- the development and/or marketing of tourism services relating to rural tourism
Target group	Population in rural areas
Target area	(not relevant)

I) Investment in rural infrastructure

Measure	Basic services for the economy and rural population
Reference	
Rationale of the measure	In order to reverse the negative trends of economic and social decline and depopulation, seen in many parts of the European countryside, support should be provided for better and more basic services for the economy and the rural population in order to improve or maintain the living conditions and welfare and to increase the attractiveness of the area.
Content of the measure	Support covers the setting up of basic services, including cultural and leisure activities, concerning a village or group of villages, and related small scale infrastructure as well for the economy as for the rural population, e.g. - leisure, sport and cultural activities - child care facilities - transport services (e.g. mini-busses)
	- telecommunication services: access to internet, teleworking projects, village ICT initiatives combining IT equipment, networking and eSkills through community structures
Target group	population in rural areas
Target area	a village or group of villages in rural areas

Measure	Village renewal and development
Reference	
Rationale of the measure	In order to reverse the negative trends of economic and social decline and depopulation, seen in many parts of the European countryside, support should be provided for village renewal and development.
Content of the measure	The measure gives support to projects concerning village renewal and development. This can for example include the following actions: - local road works
	- renovation of buildings
	- environmental upgrading: e.g. upgrading parks, roadsides,
Target group	rural population, businesses
Target area	villages or groups of villages in rural areas

J) Local development actions

Measure	Establishing a running a rural Local Action Group
Reference	
Rationale of the measure	The implementation of local development strategies and the other actions of the Local Action Groups reinforce territorial coherence and synergies between measures intended to develop the broader rural economy and society. The Local Action Groups and the partners involved need accurate information, appropriate skills and other support in order to fulfill their tasks in a satisfying way.
Content of the measure	The measure supports e.g.: - Studies of the areas concerned - Measures to provide information about the area and the local development strategy - The training of staff involved in the preparation and implementation of a local development strategy - Promotional events - Training of leaders
Target group	Local Action Group
Target area	Territory covered by the LAGs

Measure	Implementing rural Local Development Strategies
Reference	
Rationale of the measure	Through the implementation of integrated and innovative strategies rural actors through the Leader method can help to contribute to the long term sustainable development of their local region.

Content of the measure	The Leader approach comprises at least the following elements: area based local development strategies intended for well-identified subregional rural territories; local public-private partnerships (local action groups); bottom up approach with a decision making power for local action groups concerning the elaboration and implementation of local development strategies; multi-sectoral design and implementation of the strategy based on the interaction between actions and projects of different sectors of the local economy; implementation of innovative approaches; implementation of cooperation projects and networking of local partnerships. Local development strategies will be drafted and implemented by Local Action Groups.
Target group	Local Action Group
Target area	Areas covered by the Local Action Group

K) Vocational training

Measure	Vocational training and information actions, including diffusion of scientific knowledge and innovative practices for persons engaged in the agricultural, food and forestry sectors
Reference	
Rationale of the measure	The economic, technological and environmental changes result in a need for new skills of all people involved in agricultural, food and forestry activities. In order to obtain these new required skills, general, technical and economic training activities (not forming part of normal programmes or systems of agricultural and forestry education at secondary or higher levels) need to be offered. The higher the educational level of farmers and forest holders, the higher their labor productivity will be in order to maintain or increase the competitiveness of farm and forestry holdings.
	There are different types of training, including diffusion of scientific knowledge, activities possible:
Content of the	- Courses; Seminars; Demonstration projects; Information sessions; Workshops The training activities can cover many topics:
measure	- Technical issues; Economic training; Results of research and new information technologies (ICT); sustainable management of natural resources (including cross-compliance and the application of production practices compatible with the maintenance and the enhancement of landscape)
Target group	All adult persons dealing with agriculture, food and forestry matters
Target area	To be defined

Measure	A training and information measure for economic actors in rural areas
Reference	
Rationale of the measure	Through diversification into non-agricultural activities, development of micro-enterprises, encouragement of the tourism sector, the provision of services etcetera, the negative trend of economic and social decline that many European rural areas are facing could be reversed. However, a successful implementation of these measures also requires training in adapted and new skills for the economic actors in the rural areas.
Content of the measure	The supported training activities can include e.g.: - Training in ICT skills - Training and coaching of starters of a micro-business in a rural area - Training young people in traditional rural skills to tap into demand for tourism, recreation, environmental services and quality products - Management training for farmers diversifying into non-agricultural activities. The support under this measure does not include the courses of instruction or training which form part of normal education programmes or systems at secondary or higher levels.
Target group	Economic actors in rural areas
Target area	Not relevant