THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF WATER AND LIVESTOCK DEVELOPMENT

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Ref. No. PACE/TZ/EXT/GLOBAL PLAN/1 **Date 20TH September 2004**

Dr. Rene Bessin
The Programme Coordinator
PACE_AU-IBAR
P.O.Box 30786
Nairobi
Kenya

Dear Sir,

RE: - OBSERVATIONS ON PACE TANZANIA EXTENSION WORK PLAN AND COST ESTIMATES FOR YEAR 1//SUBMISSION OF EXTENSION GLOBAL PLAN.

I acknowledge to have received your comments to our submitted drat work plan and cost estimate/programme estimate number 1 for the first year PACE-Tanzania Extension vide your letter reference number 438MS1-30 of the 13th September 2004.

May I at this juncture first of all thank you and all the PACE PCU staff who went through our submission and provided valuable inputs through the comments you have sent to us.

As a general comment I can respond by saying that we have redone and presented the Extension Global Plan and Programme Estimate One (2004/2005) in the same intervention logic as you have advised to be in line with that developed in the PACE-Extension Proposals PACE Coordination meeting of Yaounde Cameroon. We have also used the framework directed by EDF 9 Guidelines to Programme Estimates following my attending a training seminar on the same conducted by EDF.

We have considered in depth and incorporated all your comments and thus rearranged the document to reflect the technical and administration logic required as detailed below and hereby submit both hard and soft copy of unsigned Extension Global Commitment and PE 1 of the Extension while the required six sets of the same document are routed for signature by the National Authorizing Officer and the Head of Delegation of the European Commission to Tanzania.

The Delegation is seeking clarifications as regards to the Global Financial Commitment Number of the Extension and PE 1 before they sign as by EDF GPE and GFP once the Head of Delegation signs it becomes binding for the EDF financing and execution of the GFC and PE.

1.0 General Comments

The Overall objectives, project purpose, specific objectives, outputs and the Logframe have been modified to conform with your advice in due regard to realist and achievable targets.

2.0 Specific Comments

2.1 Intervention Logic-

2.1.1 This as mentioned above has been listed as suggested and the overall objective indicator brought down to be realisable by end of 2007 (through post project evaluation. We have taken out the assumptions at project purpose level and taken the specific objectives in the order you have stated thus reorganising the results, activities and consequently Table 2 under Outputs 1 & 2.

The activities that were contained in the 4 results of the original PACE programme were retained basically on the ground that the extension to the national components was to allow them run the original planned 5 years with exclusion of result areas that shall not be attained in the remaining two years. Most of the retained activities were just started and ought to be taken through by the project. The issue of privatisation for instance has been emphasised by both the EC Delegation and the EC Monitoring Team Mission that proposed we do something towards it. They have even gone to an extent of suggesting we need Technical Assistance on this field and were asked to put an expression of need that we have already done. Thus it would appear awkward not to include aspects of promoting private veterinary delivery during the extension period.

2.1.2 As for policy development and trade accessibility issues we have given it due weight by addressing the issue of FMD and CBPP control aiming at defining low risk areas for the purpose of making them Livestock Export Processing Zones. We are thinking of Ruvu-Mkata-Dakawa and Kongwa and congruent areas into commercially oriented livestock production zone for export of live animals and products. A modern meat plant at Ruvu Ranch is being conceived and a modern abattoir has already been erected at Dodoma to catalyse livestock market off-take. By addressing epizootic disease control we think the issue of livestock marketing is adequately covered besides we have another ADB funded programme that is addressing the same issue.
Through your advice we have dropped the idea of creating "disease-free zones", which you have argued are expensive to erect and maintain instead we should aim for "Minimum Risk based Commodity Trade of which as per investment already made can be pursued.

2.1.3 Rinderpest Eradication

Our approach towards rinderpest serology has always been based on the OIE Guidelines. The number of villages for 95 % confidence and 1% of prevalence was chosen at a within herd probability of 75 % that gives 398 villages and sample size of 28 .The number of villages is rounded to the nearest hundred giving a figure of 400.The sampling size is not 315 but 28 and we have always been using this collecting in the average 12,000 cattle serum samples per annum from 2001,2002 and 2003 that we don't think is unnecessarily exhaustive and wasteful.

2.1.4 CBPP and Other Major Epizootics Control

PACE Tanzania is drawn to include both EDF and Government Funding umbrellas. The government funds CBPP, FMD, NCD, ASF and LSD control while PACE facilitate their prompt recognition and characterisation. Thus to reflect why the government should continue to invest in them it was sought appropriate to mention them as constraints to the country participation in international trade in livestock and livestock products. The government programme will run for 5 years and thus one should not look at one side of source of funds and time horizon.

The PACE Extension Phase will continue to build diagnosis capacity in particular to CBPP, ASF and FMD as your expert missions visiting us have proposed and the little provisions made in the budget are for procurement of diagnostic kits and consumables to ELISA readers.

2.2 Scope Of Funds Available, Activities And Related Budgets

2.2.1 Sustainability to PACE related activities has been taken on board in Tanzania as we have presented in various for in Addis Ababa and Dakar. The funds indicated in the PACE budget are those channelled through the project that the project management direct influence. There are more funds allocated to Veterinary Investigation Centres, the National Veterinary Laboratory and DVS Disease Control Activities that we have deliberately excluded in the budget thus reflecting a lower contribution by the government. We have done this because of the reporting requirement under new EDF 9 Rule that all resources to the project must be recorded and reported. We took those that we could easily get hold of and report correctly instead of the entire government contribution that by far surpasses PACE funding levels in year 2.

2.2.2 Comments on financial aspects

We are pursuing hard on closure and decommitment of WP1 and 2. Our projections of WP 3 expenditures show we will have unspent balance of 200,000 Euro that on closure and decommitment shall be made available to PE 2 in accordance with EDF rules that decommitment are returned to Global Financial Commitments. In view of this we had a working budget ceiling of Euro 845,000 (Euro 645,000 from what you have indicated from uncommitted and unspent balances of WP 1 & 2 plus Euro 200,000.00 from unspent and uncommitted balances of WP3.

I have sent you copies of letters requesting the closure and decommitment of WP 1 and 2 with analysis tables to substantiate our stand.

I have thus not changed the budget figures much.

We shall improve on the frequency and modality of submitting financial and technical reports to be as regular as possible. I am certain we were trying very much to be in line with the financial reporting. With the new EDF 9 requirements we shall make it a must

The PE both the Global Plan and PE 1 have been drawn in line with the new EDF Guidelines as the EC Local delegation has just given us a seminar on the subject. Minor differences that you may see are a results of options given e.g. due to time limitation sub-activity costing to PE 1 has not been left but the rest have been included verbatim.

3.0 Other Comments

3.1 The reference to freedom from rinderpest infection on P12 has been corrected to refer to freedom from rinderpest disease

3.2 P16 -The number of villages and samples to be collected has been calculated using the OIE Guidelines as explained above and in the text.

3.3 Collaboration between Wildlife and Livestock Agents –how will it be established?

There is already a Mutual understanding that was drawn in 2002 under which there is a Joint Technical Committee that meets twice per year-with the Director of Wildlife hosting one of the meeting and the DVS hosting the other. PACE hosts and convenes the DVS – DW Joint Meeting at which wildlife disease surveillance issues and livestock diseases at interface areas are discussed.

3.4 Budget not providing for PACE Laboratories Network meeting and Annual External Quality Assurance- these have been taken on board.

Once again may I thank you and the PCU for the technical support and forbearance in the drawing up and submission of our PACE Tanzania Extension Global Commitment Proposal and Programme Estimate 1 of the Extension.

I thereof take this opportunity to submit the PACE Tanzania Global Financial Commitment Proposal for the 2 years Extension and Programme Estimate (PE) Year 1 (2004/2005)

Yours Sincerely

Dr.Mohammed M. Bahari
PACE-Tanzania NPC
For the Permanent Secretary
CC

- EC-Delegation Tanzania
- NAO of the EDF in Tanzania
- Dr.B.Diop PACE-Reg.Coordination Unit WCA
- Dr.D.Bourzat PACE MTA
- Mr. Paul Mertens PACE Financial controller
- Mr. O. Moller- EC Rural Development Advisor EC Delegation Nairobi Kenya.

UNITED REPUBLIC OF TANZANIA
MINISTRY OF WATER AND
LIVESTOCK DEVELOPMENT

EUROPEAN UNION
EUROPEAN DEVELOPMENT FUND

PROJECT –PAN AFRICAN PROGRAMME FOR THE CONTROL OF EPIZOOTICS (PACE)-TANZANIA NATIONAL COMPONENT

DIRECT LABOUR OPERATION

REGIONAL FINANCIAL COMMITMENT
NUMBER -------
PROJECT IDENTIFICATION NUMBER---

GLOBAL PROGRAMME ESTIMATE NUMBER TWO (2)
OPERATION PERIOD-1ST NOVEMBER 2004-31ST OCTOBER 2006
(PACE PROGRAMME EXTENSION)

TOTAL GLOBAL COMMITMENT TO BE FUNDED UNDER DIRECT LABOUR PART: **TZS 1,166,048,000.0 (EURO 844,962).**

PAID IN NATIONAL CURRENCY	**TZS 1,166,048,000.0**
PAID OUT IN EURO	**€ 0.00**

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SEPTEMBER 2004

ABBREVIATIONS

ACP	Africa-Caribbean-Pacific
AD-AHS	Assistant Director-Animal Health Services
ADIS	Animal Diseases Information System
ADMC	Administration and Monitoring Committee
ADRI	Animal Disease Research Institute
AD-TVB	Assistant Director-Tanzania Veterinary Board
AGREST	Agriculture Economist Society of Tanzania
ARIS	Animal resources Information System
ASDP	Agriculture Sector Development Programme
ASDS	Agriculture Sector Development Strategy
ASF	African Swine Fever
AU-IBAR	African Union-Inter African Bureau of Animal Resources
AWPCE	Annual Work Plan Cost Estimate
CAHWs	Community Animal Health Workers
CBPP	Contagious Bovine Pleuro Pneumonia
cELISA	Competitive Enzyme Linked Immunosorbent Assay
CFT	Compliment Fixation Test
CSU	Common Service Unit of PACE
CVL	Central Veterinary Laboratory
DED	District Executive Director
DLO	District Livestock Officer
DNAO	Deputy National Authorizing Officer
DVO	District veterinary officer
DVS	Director of Veterinary Services.
DWS	Director of Wildlife Services
EAC	East African Community
EC	European commission
EDF	European Development Fund
ELISA	Enzyme Linked Immunosorbent Assay
EURO	European Currency
FAO	Food and Agriculture Organisation of the United Nations
FMD	Foot and Mouth Disease
GIS	Geographical Information System
HOD	Head of Delegation of the European Commission

HQT	Headquarters
LSD	Lumpy Skin Disease
Mngnt	Management
MWLD	Ministry of Water and Livestock Development
NAO	National Authorizing Officer
ND	Newcastle Disease
NPC	National Project Coordinator
NVLS	National Veterinary Laboratory System
OIE	Office Internationale des Epizooties
PACE	Pan African Programme for the Control of Epizootics
PACE-TZ	Pan African Programme for the Control of Epizootics-Tanzania
PCU	Project Coordinating Unit
PE	PACE Epidemiologist
PID	PACE Integrated Database
PORALG	Presidents office Regional Administration and Local Government
PSC	Project Steering Committee
PVP	Private Veterinary Practice
RP	Rinderpest
RVF	Rift Valley Fever
RDS	Rural development strategy
SADC	Southern African Development Community
SAT	Southern African Territories
SHOATS	Sheep and Goats
SUA	Sokoine University of Agriculture
TA	Technical Assistance
TAC	Technical advisory Committee
TADs	Transboundary Animal Diseases
TANAPA	Tanzania National Parks
TCP	Technical Cooperation Programme
TOR	Terms of Reference
TPS	Technical Programme Support
TSAP	Tanzania Society of Animal production
TZS	Tanzanian Shilling
TV	Television

TVB	Tanzania Veterinary Board
TVC	Tanzania Veterinary Council
VIC	Veterinary Investigation Centre
VLT	Veterinary Laboratory Technician
WP	Work Plan
YR	Year

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1. WORK PROGRAMME

1.1. Summary

This document presents a global plan for the proposed two years extension of the Tanzania component of the Pan-African Programme for the Control of Epizootics (PACE-TZ). PACE-TZ, together with 28 other African country programmes, is funded by the European Union through the European Development Fund and counter part funding by respective governments. The Country programmes are coordinated at regional level by the African Union Inter-African Bureau of Animal Resources (AU-IBAR) under an extension financial agreement.

The overall objective of PACE-TZ programme is to contribute towards relieving poverty of those involved in the livestock farming sector. The purpose of this programme is strengthening the capacity at national level to assess the technical and economic aspects of animal diseases and generate proper programmes for their control, and safeguarding animal health in the country against major epizootics. Specific objectives are

1. Eradication of Rinderpest and Control of other epizootic diseases
2. Strengthening of surveillance to support policy formulation for the control of major epizootics and better access to global livestock markets.

Expectations from these objectives are that by the end of project life, Tanzania will have been certified as free from Rinderpest Disease, at least 80% of the Districts will be submitting accurate outbreak and regular reports to the DVS and the DVS will be analysing them and using their results to plan disease control and to meet international reporting obligations. Animal health service outlets in rural areas will have increased and disease prevalence will have been significantly reduced.

The total cost of the Extension Global Plan is **TZS 2,017,190,000.00 (Euro 1,461,732)** of which TZS 1,166,048.00 (Euro 844,962.00) will come from EDF and TZS 85,142,000.00 (Euro 616,770.00) will come from the Government of Tanzania (GOT).

The European Union through the European Development Fund has committed Euro 3,323,285.00 to Tanzania country programme. At the end of year 3, it is expected to disburse Euro 2,003,705.11 for this programme. The Extension Global Plan will utilize part of the remaining balance of Euro 845,000.

GOT will contribute to the funding of this programme by directly allocating money to PACE project account as counterpart funding and indirectly through payment of salaries to staff that are implementing programme activities and allocating funds for other charges in its recurrent and development budgets for implementation of programme related activities.

1.2. Context

The overall objective of the programme is to contribute towards relieving poverty of those involved in livestock farming sector by improving animal productivity, trade and food security. The purpose of this programme is strengthening the capacity at national level to assess the technical and economic aspects of animal diseases and generate proper programmes for their control, and safeguarding animal health in the country against major epizootics.

Tanzania has two main sets of policies and a number of strategy documents that are in line with these programme objectives. These policies include- The Social Development Policy Document of 1996 and the Agricultural and Livestock Policy of 1997. The Social Development Policy Document reiterates the government resolve to build a nation with people, who are healthy, educated, self reliant, and with a resolve to improve their lot; whereas the Tanzania Agriculture and Livestock Policy is aiming at promoting the crop and livestock production and productivity growth of 4 to 5% per year in order to ensure basic food security, increase export earnings, raise the peoples' nutritional status and increase their standard of living. In addition the two policies have an economic purpose of raising the proportion of commercial agriculture.

Tanzania has a number of strategies for guiding both public and private development efforts that are in line with this programme objectives and operations planned thereof. It has adopted a strategy document called Tanzania Development Vision 2025, which outlines economic and social objectives to be attained by the year 2025. This document identifies three priority goals as ensuring basic food security, improving income levels and increasing export earnings.

The government has also adopted a National Poverty Eradication Strategy and a Rural Development Strategy. The National Poverty Eradication Strategy contains the objectives of poverty eradication efforts through 2010. It also has issued a Poverty Reduction Strategy Paper that has been prepared in the context of the HIPC (Highly Indebted Poor Countries) initiative and this appears to be the follow up of the government development vision paper. The PRST defines priority sectors, which include health, water, rural roads, agriculture and agricultural resources, extension and HIV/AIDS. All of these documents have poverty reduction as the overarching priority objective in the national economy.

The Rural Development Strategy addresses four challenges that include promoting growth in agricultural and non farm income generating activities, increasing access to services of items listed like health, rural water supply and feeder roads and reducing risks and vulnerability and improving capacity for assisting victims of natural disaster, and promoting good governance.

The objective and operations for this programme are also in line with sectoral policies and interventions outlined in the Tanzania Agricultural Sector Development Strategy. This strategy was promulgated in October 2001. The vision of ASDS is an agricultural sector that by the year 2025 is modernized, commercial, highly productive, utilizes natural resources in an overall sustainable manner and acts as an effective basis for inter sector linkages. To achieve this vision The ASDS has a

productivity and profitability of the agricultural sector. Strategic focus areas of the ASDS are many but those related to this programme are:

- Strengthening of institutional framework for delivery of quality services,
- Review and implement laws on delivery of animal health services
- Develop and execute disease control programmes for scheduled diseases and zoonoses
- Develop and institutionalise monitoring and early warning systems and related preparedness plans for crops and livestock pests and diseases.

In general both the ASDS and RDS recognize that agriculture including livestock should be made a driving force behind poverty reduction since this sector is an occupation of the majority of the poor population and the majority of this population is located in the rural areas where agriculture is the main economic activity. They also recognize that improvement in rural agricultural production and marketing could be the main catalyst to poverty reduction.

This programme will support the livestock sector in Tanzania that has the third highest livestock population in sub-Saharan Africa. Livestock population for Tanzania is estimated at 17.7 million cattle, 12.5 million goats, 3.5 million sheep, 47 million poultry and 880,000 pigs.

The livestock sector in Tanzania contributes 6.1% of the nations GDP, provides means of livelihood to 40% of the nations total population estimated at 32.13 million inhabitants and growing at the rate of 2.8% per year. Of the 40% of this population that get its means of livelihood from livestock 37% also depend on crop production whereas 3% solely depend on livestock. Other key socio-economic economic indicators for this population are in table 1

Table 1 Population characteristics and socio-economic indicators For Tanzania mainland

Indicator	Figure
Total population (in 2001 in millions)	32.13
Urban population	10.45
Rural population (per cent)	89.55
Population growth rate (per cent)	2.81
Birth rate (per cent)	4.13
Death rate (per cent)	1.94
Life expectancy at birth (years)	42.34
Infant mortality rate (per cent)	10.59
Adult illiteracy rate (per cent)	32.20

(Source: World Bank Report 2002)

The livestock sector has, for number of years, been challenged to make more contribution to food security and national income. The sector has a set of targets for meeting these challenges and they include increasing livestock contribution to the national GDP by 6% and livestock products export by 9% per year.

The previous three Annual Work Plans and Cost Estimates (AWP&CE) now called Programme Estimates (PEs) had an immediate objective to improve the capacity of national animal health services to plan, implement, monitor and evaluate the strategic control of epizootic diseases, so that the control of these diseases is enhanced. There are several indications to show that this is being achieved: The Directorate Of Veterinary Services is housed in a better place than was the case before, there is an improved communication system within DVS and between DVS and other actors in livestock development, there is a better understanding of animal health situation than was the case before the project and staff in DVS and in local governments are better trained on animal disease surveillance and control. The veterinary laboratory diagnostic capacity in Tanzania has also improved significantly.

In addition Tanzania is in a better position to enhance control of livestock diseases following provision of a legal framework through enactment of laws for control of animal diseases and for regulation of animal health services delivery. This Extension Global Plan will build on and consolidate the gains obtained from the previous PACE activities. It will also attempt to complete pending tasks of previous work plans.

One of the gains obtained from the previous PACE activities is the working epidemio-surveillance network whose working groups include Epidemiology Unit in the Directorate of Veterinary Services, Animal Disease Research Institute, Veterinary Investigation Centres, Sokoine University of Agriculture, District Veterinary Offices and Wildlife Research Institutes. This Extension Global Plan will attempt to further strengthen this network so that its working groups have improved communication systems, have more sense of collaboration and are contributing more to Tanzania Animal Disease Information System.

At present, the Directorate of Veterinary Services has an electronic communication system within its head quarters. With funding from the third year work plan this communication system will be made more efficient by configuring it so that its resources can be shared, providing for network administrator and training DVS staff on use of information technology services. In the extension period the system will be linked to Zonal Veterinary Investigation Centres through creation of a VPN (Virtual Private Network) over the Internet. This will ensure that each of the seven VICs has a permanent connection to the Internet via leased line or satellite. VPN will make the whole DVS with its VICs in Tanzania become like one Local Area Network and use the Animal Resources Information System (ARIS) database.

Another gain obtained from the previous work plans is that there is a measurable sense of collaboration between the Epidemiology Unit, Animal Diseases Research Institute, Veterinary Investigation Centres, District Councils and Tanzania Wildlife Research Institute. The collaboration between the Epidemiology Unit and the Sokoine University of Agriculture Faculty Of Veterinary Medicine is also growing from strength to strength. Thus at the time of writing there is active Rinderpest sero-surveillance which is being carried out by the EU, TAWRI. There is also participatory Rinderpest disease searching that is being carried out by the EU and SUA.

Because of the above Tanzania is able to make a list of priority diseases and to map out areas of their occurrence. In the 2 years extension PEs the mentioned collaboration will be used to provide precise description of diseases in terms of factors that affect their control. It will also attempt to further increase awareness of

farmers on the importance of timely reporting of animal diseases through strengthening communication support.

Tanzania has recently passed a law with sections to make provisions for inclusion of and for provision of a legal framework for alternative animal health service providers. This move has provided a good opportunity to increase delivery of veterinary services in rural areas of Tanzania. In the 2 years extension PEs attempts will be made to use this opportunity to Operationalize private sector based animal health service delivery systems. These attempts will concentrate on establishment of structures within which these service providers can operate.

The risk of resurgence of Rinderpest is associated with the unclear situation of Mild Rinderpest in the Somali Ecosystem and the porous border with Kenya. Provisions were made in the previous work plans to undertake passive and active surveillance for Rinderpest in both domestic stock and wildlife firstly in the north eastern zone during the first year and in the whole country starting from the second year. In the 2 years of PACE programme Extension Tanzania will continue to pursue the OIE pathway for recognition of freedom from Rinderpest disease at country level or revert to zonal level; depending on the situation in Kenya and the clarification on the mild Rinderpest situation in the Somali eco system.

The problem of Contagious Bovine Pleuro Pneumonia (CBPP) was addressed in the previous work plans and control strategies were developed and tried out. Such strategies included intensive vaccination in the newly infected zone, annual vaccination in endemic areas, and surveillance in areas where the disease has not been reported. It came to be realized that CBPP control is a very complex undertaking with lots of challenges, but also it provides a good ground for providing experience. In this global plan experiences learned from the use of the mentioned strategies will be used to improve effectiveness for control of this disease as well as other Transboundary animal diseases.

1.3. Intervention Logic

The detailed logical framework for this global plan is presented in **Annex Two**. The summary of the logical framework also referred to, as a planning matrix is presented in **Table 2.** The conceptual basis for this global plan is to address constraints that limit the nation's ability to ensure basic food security, improve income levels of those involved in livestock farming, and increase export earnings from livestock and livestock products. One of the key constraints to be addressed is prevalence of livestock diseases that is occasioned by the low national capacity to plan, implement, monitor and evaluate the strategic control of epizootic diseases. Diseases of particular importance for Tanzania are Rinderpest, CBPP, FMD, LSD, Newcastle and ASF.

The constraints that limit the nation's ability to undertake strategic control of epizootic diseases and impinge on the nations capacity to participate in international trade in livestock and livestock products are:

- Lack of official recognition of Rinderpest eradication and Ineffective Disease Control programmes for Transboundary Animal Diseases.
- Inefficient Epidemio-surveillance network to support policy formulation for the control of major epizootics in order to get better access to global livestock markets.

With regard to the first problem, Tanzania has continued to be provisionally free from Rinderpest disease, six years after vaccinations were ceased and surveillance started. It is therefore on track in following the OIE pathway for declaration of freedom from this disease. The problem however is that this country is yet to acquire official recognition from OIE that indeed it is free from this disease and its infection. There is also the risk of resurgence of Rinderpest that is associated with the unclear situation of mild Rinderpest in the Somali eco system and the porous border with Kenya. However, Kenya has recently declared that the areas bordering Tanzania are Rinderpest free and are surveillance zone for this disease.

The first problem is also associated with low private sector participation in animal health service delivery, which is, in turn, constrained by shortage of private veterinary professionals especially in rural areas of Tanzania. This problem was hither to compounded by non-inclusion and lack of legal framework for alternative service providers. This has been addressed in that, with PACE year three programme assistance, laws have been passed by parliament to make provisions for recognition and regulation of alternative service providers. What is still missing is the operationalization of these laws by creating enforcement mechanism and providing appropriate training, supervision and coordination.

Tanzania is confronted with persistence of several animal diseases. CBPP is in 53 out of 121 districts and has a risk spreading from its present locations to neighbouring countries. FMD is reported in 27 or more districts every year with three serotypes, namely O, SAT 1 and SAT 2 being identified from these outbreaks. Newcastle Disease (ND) is also known to occur in several parts of Tanzania.

One of the key factors responsible for persistence of livestock diseases in Tanzania is the lack of coherent policy formulation for disease control that leads to uncontrolled animal movement, ineffective vaccination programmes and sub optimum disease monitoring.

The problem of inefficiencies in the Tanzanian networks for epidemiological information on Trans-boundary Animal Diseases and other notifiable diseases is associated with disease surveillance systems that have no systematic reporting and lack of interest by livestock keepers to report diseases.

Thus although Tanzania has reached the target of having 80% of its districts regularly submitting their reports to DVS the accuracy and promptness of these reports is yet to reach the required standard. What is more Tanzania is still using the paper and post office for almost all of its reporting activities.

PACE programme extension will undertake interventions that are key to addressing these problems with an ultimate goal of increasing livestock productivity so that the sectors contribution to the nations GDP increase by 6% per year and volume of livestock and livestock products trade increase by 4% per year.

1.4. Logical Framework

The detailed logical framework for this global plan is at annexes two. The summary of this framework also referred to as a planning matrix is presented in Table 2

1.4.1. Overall objective

The overall development objective to which the project and therefore this global plan is intended to contribute is towards relieving poverty of those involved in livestock farming sector (producers, service providers and consumers) through livestock development. This objective is in concurrence with national policies and strategies. The objectively verifiable indicators will be poverty Indicators amongst livestock farmers in Tanzania improve by 5 % by year 2008.

1.4.2. Project purpose

The purpose of the project and therefore this global plan, is Strengthening the capacity at national and regional level to assess the technical and economical aspects of animal diseases and generate proper programmes for their control, and safeguarding animal health against major epizootics.

Specific objectives are

3. Eradication of Rinderpest and Control of other epizootic diseases
4. Strengthening of surveillance to support policy formulation for the control of major epizootics and better access to global livestock markets.

1.4.3. Results

The expected results from the activities carried out over the period covered by this global plan are:

1. Rinderpest disease is verifiably eradicated from Tanzania and effectiveness of priority disease control programmes is improved.
2. The National Epidemio-Surveillance System is Strengthened so that it is capable of providing information for management of major epizootic and endemic diseases.

Indicators to show that these respective results have been realized are in the summary log frame below and they include:

- Official certificate by OIE that Tanzania is free from Rinderpest disease by June 2005.
- The number of animal health Service outlets (veterinary centres, veterinary input shops etc) in rural areas has doubled by October 2006.
- Prevalence rates for CBPP in three newly infected regions are reduced by 30% by November 2006.
- At least 80% of the Districts with more than 50 thousand cattle are each submitting 100 or more surveillance reports and four quarterly reports to DVS per year and outbreaks of epizootic diseases are reported to the DVS within 5 days of occurrence by October 2006.

TABLE 2- PACE-TZ SUMMARY LOGICAL FRAMEWORK

ive summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
ve ng poverty amongst those in the livestock farming sector oving productivity, trade and curity	Poverty Indicators amongst livestock farmers in Tanzania decline by 5 % by April 2008.	House Hold Budget Survey by National Bureau of Statistics	
e ıening the capacity to assess nical and economic aspects of liseases and generate ate programmes for their ırding of animal health in the against major epizootics.	New disease outbreaks detected and confirmed within 10 days of first reporting and control measures significantly reduce prevalence rates starting 2004 Abattoir Prevalence rate of CBPP reduced from 5 % in 2004 to less than 1% by October 2006	Outbreak Reports to DVS Reports of the veterinary services Abattoir surveillance reports.	
derpest is verifiably eradicated nzania and Epizootic disease programmes improved	Tanzania is certified by OIE as Rinderpest disease free country by June 2005 CBPP prevalence rates in three selected Regions reduced by 30% by October 2006 Animal health Service outlets in rural areas of three selected regions double by October 2006	Official OIE certificate Epidemiology Unit Report Survey Reports	Southern part of Kenya remains free from the Disease Current levels of Budget allocation to Veterinary Services sustained and reach on average 0.05 Euro/Tropical Livestock Unit/Annum
e National Epidemio- ance System is Strengthened	At least 80% of the Districts with > 50 thousand cattle submit 100 surveillance reports and four quarterly reports per district to DVS per year starting October 2004 DVS timely meets National, regional and international Reporting obligations starting January 2005	Epidemiology Unit Reports AU-IBAR and OIE reports	Technical Chain of command from DVS through DVOs to Field staff is improved. OIE Annual Animal Disease reporting format availed in time

1.4.4. Activities

Programme activities that will be carried out to achieve each of the expected results listed in the previous section are as indicated in the log frame in annex two. Other details regarding these activities for each of the expected results are as follows:

1. Rinderpest disease is verifiably eradicated and effectiveness of priority disease control programmes is improved.

For verification of Rinderpest eradication from Tanzania, the programme will undertake Rinderpest surveillance in domestic animals and in wildlife. The target for Rinderpest surveillance in Wildlife is to collect 60 samples from buffaloes in Mkomazi, Tarangire and Ngorongoro, ecosystems, and from Arusha and Kilimanjaro National Parks.

The exercise shall be carried out with collaboration from TAWIRI and with PACE wildlife expert providing technical backstopping. The programme shall also look into the possibility of engaging private people (hunters) in sample collection in order to increase the number of samples from wildlife. Thus EUROS 10.00 shall be paid out for a good sample submitted by these hunters.

For Rinderpest surveillance in domestic animals, the target is to collect samples from 400 (round figure for398) sampling units with each unit supplying up to 28 animals for testing. The number of animals to be sampled shall be determined according to the OIE guide for epidemiological surveillance for Rinderpest It is anticipated that 12,320 cattle and 4400 sheep and goat samples shall be collected. The Epidemiology Unit in collaboration with Sokoine University of Agriculture shall provide the sampling design and elaborate the procedures to be followed. Veterinary Investigation centers' staff shall carry out the surveillance exercise.

All samples from Domestic animals and from wildlife shall be sent to ADRI for analysis and aliquots of suspicious samples from domestic animals and all samples from wildlife shall be sent to Regional (Muguga) or international (Pirbright) Reference laboratories for Rinderpest for further testing.

Under this global plan, updating Rinderpest emergency preparedness plan, participatory RP search in North Tanzania, Livestock movement monitoring and retraining field staff in the Districts sharing borders with the republic of Kenya on Rinderpest detection and reporting. shall also be undertaken. As adjunct to updating of Rinderpest emergency preparedness plan provision shall be made for opening an emergency account and for providing seed money for this account.

On increasing effectiveness of control for priority diseases, the project will organize two meetings for VICs, RLAs and DVOs in the southern highland zone districts in order to produce CBPP control action plans, decide on vaccination logistics, agree on roles of each stake holder, plus state of art vaccination procedures. Actual vaccination campaigns will be carried out with funds set

aside by government for this purpose. The target for the project will be to give two vaccinations to 2.5 million cattle and to increase the proportion of sero-reactors to any vaccination so that it reaches a minimum requirement for herd protection.

Other activities for this output are to Review Priority Epizootic disease Control strategies, Support Emergency response to priority epizootics, Develop African Swine Fever control programme, Perform Programme Monitoring & Evaluation, train field staff on Socio-economic Impact Assessment of animal Diseases and conduct a Socio-economic impact study on CBPP & FMD.

In compliment to the above-mentioned results, the project will strive to build capacity of its staff by sponsoring them to attend meetings and workshops organized by PACE PCU and by professional organizations within the country. Thus the National Project Coordinator plus six project staff (National epidemiologist, PACE epidemiologist, CBPP coordinator, Monitoring and Evaluation officer, communication officer and liaison officer for NVLS) will be facilitated to attend PACE organized meetings and training workshops.

The programme will also attempt to operationalize animal health services by supporting workshops for clarifying and increasing acceptability of private sector involvement in Animal Health Service Delivery systems. Four workshops with each workshop having a duration of three days and involving an average of 50 participants will be organized

It will also make provisions for supporting similar workshops for inculcating principles of law enforcement with special reference to enforcement of the three regulations recently gazetted. The regulations are: Registration of Veterinarians and veterinary practices, Enrolment and Enlistment of para professionals and Duties and Powers of Ethics inspectors

With assistance from the Community based Animal Health and Participatory Epidemiology Unit (PACE/CAPE) the project will promote and support supervised use of CAHWs in animal health service delivery and in animal disease reporting. It will thus convene one coordination meeting for facilitators of community based animal service providers.

Provisions will also be made to support TVB activities including drug quality control workshops and veterinary inspectorate services.

2. Improved Epidemio-Surveillance System in place

For Improved Epidemio-surveillance Network, the project will train field staff on active disease surveillance from regions with potential to attain low disease risk status so that they can export livestock and livestock products. Diseases to be included are CBPP, FMD,ASF, LSD and Newcastle. However, the project will specifically target FMD with a view that by the end of project life FMD occurrence pattern by serotypes will be sufficiently known to warrant institution of strategic control measures. The project shall thus target to make follow up

The project will also organize two review/planning meetings of the key players in the DVS in order to make performance assessment of animal disease surveillance and veterinary service delivery.

The meetings shall be held in December 2004 and July 2005. It will also train 10 HQTR staff and 14 VIC staff on Animal Resources information system. The target is that by June 2005, at least 60% of regular reports are reaching the Epidemiology Unit in a structured electronic form and The DVS is able to electronically communicate animal diseases information to and from the VIC level. The training will be conducted with assistance from Data management Unit of PACE Nairobi, and this unit shall also help in deploying a more robust database programme to VICs,. The project will also train 20 DVS staff on computer networking. The resource person shall be sourced from the University of Dar Es Salaam or from GTZ.

Provisions are made to support MWLD to restart a laboratory technician training course to diploma level in order to increase the diagnostic capacity of the national veterinary laboratory system. In this regard the project will support identification of trainable staff and inventory taking for training facilities with a view identifying missing components and replacing them. It will also support two intakes of laboratory trainees.

As an activity that is cross cutting all result areas, the project will support sensitisation of livestock keepers and the general public on disease reporting, disease control and private sector based animal health services delivery systems. This will involve production and dissemination of 500 copies of the Animal health Newsletter per quarter, production of five topical leaflets each with 5000 copies and gathering information and feedback of communication materials distributed to the livestock communities. It will also involve production of radio and TV programmes and organization of communication skills workshops for 30 DVOs and 5 RLAs.

The project will attempt to engage private AHSP in disease reporting. Its targets are that at least 40% of practicing AHS providers will be feeding animal diseases information to the national Epidemio-surveillance network by June 2006.

Epidemio-surveillance needs effective and efficient management. For this reason the global plan will support Postgraduate studies for the NPC and a short course on Veterinary Epidemiology for the National Epidemiologist, Organize Ministerial cross border harmonization meetings, Strengthen collaboration with Wildlife Services both public and private in wildlife disease surveillance activities, and organize trainings on network & network administration, Vet. Epidemiology and Economics, project management and programme coordination.

Other activities for improving Epidemio-Surveillance System are supporting the DVS and NPC to attend OIE meetings and supervision of animal diseases reporting. Four supervision or diagnostic visits by DVS, NPC, National

Epidemiologist and data entry officer will be made to districts with problems or those with unsatisfactory reporting performance. An average of ten days for each officer will be allowed for this purpose.

1.5. Implementation

Programme Estimates for this global plan will be drawn up between the European Commission and the government of Tanzania. The activities under the Programme Estimates will be implemented by the Ministry of Water and Livestock Development. The material and human inputs needed to carry out the programme estimates plus relevant details of internal organization and the conduct of activities are described below.

1.5.1. Material and non material means

Material inputs for the programme estimates are Rinderpest test kits for determination of presence or absence of this disease in Tanzania. The World Reference Laboratory for this disease will supply the test kits. To undertake Rinderpest surveillance in wildlife, the project will procure services of TAWIRI, which will in turn use helicopters and darting guns to demobilize wild animals like buffaloes.

Other inputs include 14 digital cameras for use by the seven veterinary centres in capturing and submitting pictorial results of their investigations. They also include seven sets of basic and two sets of specialized diagnostic kits for use by ADRI and VICs in disease surveillance, respectively. Kits of particular importance are those for detecting CBPP and ASF, and typing FMD.

The project shall also procure two computers and one network server and its accessories for strengthening the electronic communication system that was established with funding from previous work plans. The network server and its accessories will help to link DVS with zonal Veterinary Investigation Centres through creation of a VPN (Virtual Private Network) over the Internet. This will ensure that each of the seven VICs has a permanent connection to the Internet via leased line or satellite. VPN will make the whole DVS with its VICs in Tanzania become like one Local Area Network.

The project shall also procure and install ten radio call units two of these shall be stationed at Ministry Headquarters in Dar Es Salaam and Dodoma, eight others shall be installed at Veterinary Investigation Centres.

Other material inputs are stationery for preparation of promotional materials to sensitise communities and general public on disease reporting and control, preparation of disease reporting forms, updating Rinderpest emergency preparedness plan, training staff in strategic areas on Rinderpest detection and recognition and improving information communication.

Other inputs are for project management and Coordination Unit (NPC) and will include purchase of office consumables like stationeries, toners, servicing charges, water and electricity bills as well as office refreshments. The project

renovation at Central Veterinary Stores to meet the costs of necessary modifications, telephone/fax charges and monthly fees to the Internet Service Providers.

The project will also procure and supply basic lab reagents such as Grams and Giemsa stains to functioning District Veterinary laboratories in order to increase rates of disease confirmation.

In this global plan new vehicles will not be procured. Instead the ones procured in previous years shall be used and provisions for their servicing and maintenance shall be made. These provisions shall cover 13 project vehicles and twenty-six project motorcycles. Each vehicle shall be allocated TZS 5,240,000 TZS to meet operational costs with TZS 3,240,000 being for operational costs drawn from EDF funds (insurance, fuels & lubricants) and TZS 2,000,000 for vehicle maintenance drawn from government funds.

With regard to human inputs, Government of Tanzania shall, as part of its contribution, provide staffs that are on its payroll for project implementation. These shall include but not limited to Project Coordinator, Project Accountant, Monitoring and Evaluation Officer, Project Supplies Officer, Administrative Assistant, 13 drivers and three office attendants.

The incumbent National PACE Coordinator shall continue to be engaged as the Project Manager. Provision of his personal emoluments is included in the recurrent government budget for the Department of Veterinary Services where as the EDF funds provision is for him as Imprest account administrator/holder to receive rented accommodation at 60 Euro/month and performance bonus in accordance to EDF and government financial rules.

In addition to the above-mentioned staff, each result area shall be coordinated/implemented by one or more senior staff. Thus Rinderpest eradication, epidemio-surveillance system, Animal Health service delivery systems and Priority Disease Epizootics, shall, respectively be implemented by Field Operations Epidemiologist, National Epidemiologist, Privatisation Officer and CBPP Coordinator, The project shall also use the services of the central veterinary laboratory staff, communication officer, monitoring and evaluation officer and staff from veterinary investigation centres. These staffs shall have cross cutting responsibilities in that their activities shall apply to two or more result areas.

Whereas Government will pay for staff salaries, and in order to provide for their motivation, bonuses subject results of performance evaluation as initiated during previous work plans shall be provided for by the project. The project coordinator shall additionally get rented accommodation as per Article 8(1) d of the Imprest account contractual document at not more than 70 Euro/month. and performance bonus in accordance to EDF and government financial rules.

The Project Accountant, as imprest accounting officer, will also receive rented accommodation at 50 Euro/month and a Performance bonus, subject to the results of performance evaluation.

The project will continue to use services of the Technical Assistant but funds for his services have not been provided for in this global plan because this provision will be met by funds for the third year work plan and cost estimate of PACE programme.

1.5.2. Organization

The contracting authority for this project shall be the National Authorising Officer. The program will be under the overall management of the Director of Veterinary Services with the national project coordinator assisting him in doing day-to-day management activities. The National Project Coordinator will have the responsibility of facilitating project coordination, monitoring and evaluation and be a liaison officer between the regional project coordination Unit in Nairobi the Director of Veterinary Services and the National Authorizing Officer. The national project coordinator will be assisted by procurement and supplies officer, project accountant and monitoring and evaluation officer in doing procurements, disbursements, financial control and monitoring and evaluation.

The project shall have a Project Steering Committee (PSC) chaired by the Permanent Secretary, Ministry of Water and Livestock Development and National Project Coordinator as its secretary. Members of the steering committee, in addition to the permanent secretary and project coordinator, shall be the Director of Veterinary Services, the National Authorising Officer, the representative from EU, Director of Livestock Production, Director of Livestock Research and Training, Director of Policy and Planning MWLD, Assistant Director Animal health Services, Assistant Director Veterinary Council Secretariat and representative of the Director of Wildlife Services.

PACE core staff and the Technical Assistant (TA) to the project will attend as observers.

This committee shall meet at least four times per year and its function shall be to provide policy direction and strategy guidance for the whole project on behalf of Tanzania government.

Internal meetings that will be carried out once per month for PACE Core staff and thrice per annum for PACE, VICs and DVS staffs to also guide the project in reviewing and planning project implementation. The meetings of PACE-TZ staff, DVS and VIC staff meetings shall be chaired by the DVS with Assistant Director Animal Health Services as an alternate chair. PACE -TZ staff and VIC officers in charge.

Provision is made for continuing engagement of the Technical Advisor under the previous arrangement with the PACE-PCU. His costs will be met from the PACE-TZ year three Annual Work plan and Cost estimates.

The organisation chart of this global plan is given in Annex 3 and staff list is appended to Annex 14.

1.5.3. Special conditions

The PACE Programme extension will be financed through the Ninth European Development Funds (9th EDF) for which the rules are laid down in the Practical Guide to Management to Direct Labour Operations and Programme Estimates and EDF financial Guidelines annexed.

1.6. Provisional implementation time table

The detailed timetable for implementation of this global plan is in ***Annex 4*** For purpose of verification of Rinderpest eradication procurement of inputs shall start from January 2005. Rinderpest surveillance in wildlife will be carried out between March and July each year. Rinderpest surveillance in domestic animals, whereby serum samples are collected from animals in randomly selected villages throughout the country shall be carried out between May and August each year and participatory Rinderpest search shall take place between February and May each year.

The time table for effective control of priority diseases shall have continuous activities related to monitoring and evaluation, supporting emergency response to priority diseases, providing technical backstopping to districts on disease control. It also shall have scheduled activities such as procurement of vaccination and cold chain inputs in January of each year, Reviewing Priority Epizootic disease Control strategies January, training field staff on Socio-economic Impact Assessment of animal Diseases in May of each year.

For purpose of improving epidemio-surveillance network procurement of inputs like computers, digital cameras and server, shall be carried out starting January 2005. Establishment of virtual private network shall be attempted starting February 2005. Distribution of report forms and supervision of disease reporting shall be carried out quarterly. Training on ARIS shall be carried out in January 2005 and technical backstopping for use of this programme shall start thereafter. Training on computer networking and active disease surveillance, shall be carried in December 2004 and March 2005 respectively. Sensitisation of public and livestock keepers on disease reporting shall be carried out in January May, August and November of each year. The activity shall be combined with that of promoting community participation in disease control as well as privatisation issues.

In addition to the above the time table for the project will include Support for Post graduate studies in August 2005, Organization of Ministerial Cross border harmonization meeting in July 2005 Support for training in Vet. Epidemiology and Economics and in project Management in May 2005 The time table shall also include Support Veterinary & Livestock Officers to attend relevant workshops in July and December of each year.

2. BUDGET ESTIMATE

The detailed budget estimate for the global plan is presented in annex 5. The summary of the estimated costs for the global plan is by expenditure category (activities, investments and operating costs) for each result is shown is in **Table 3.** The total cost of the Extension Global Plan is **TZS 2,017.19 million (Euro 1,461,732)** of which TZS 1,166.05 million (Euro 844,962.00) will come from EDF and TZS 851,142.00 million (Euro 616,770.00) will come from the Government of Tanzania (GOT).

The cost for year one is estimated at TZS 1,117,271,000.00 (Euro 809,617.1), of which TSZ 654.277,000.00 (Euro 474,114.0) will come from EDF and TZS 462,994,000.00 million (Euro 335,503.0) will come from Government of Tanzania (GOT).

The cost for year two is estimated at TZS 899,919,000.00 (Euro 652,115.0), of which TSZ 511,771,000.00 (Euro 370,848.0) will come from EDF and TZS 388,148,000.00 million (Euro 281,267.0) will come from Government of Tanzania (GOT).

3. FINANCING PLAN

Table 3 shows the estimate of all expenditure for this global plan. The European Union through the European Development Fund has committed Euro 3,323,285.00 to Tanzania country programme. At the end of year 3, it is expected to disburse Euro 2,003,705.11 for this programme. Programme Estimates under this global plan will utilize part of the remaining balance of Euro 845,000.

GOT will contribute to the funding of the programme estimates by directly allocating money to PACE project account as counterpart funding. It already has allocated TZS 45.0 million in the 2004/2005-development budget for this purpose. The remaining amount will come indirectly through payment of salaries to staff that are implementing programme activities and allocating funds for other charges in its recurrent and development budgets for implementation of programme related activities.

Sustainability of this programme activities require that surveillance and other disease control activities be given more funding than the one shown in this global plan. Indeed this is the case because there are additional funds allocated to these activities through Veterinary Investigation Centres, National Veterinary Laboratory System, Local Government Authorities and through other sections of the Directorate of Veterinary Services. However these funds have been excluded from this budget because of the difficulties in recording and reporting such funds.

Table 3. Summary Cost Estimates for Year one and Year two extension Programme Estimate (TZSX1000; TZS1380=Euro 1 at July 2004)

Budget heading	Result Area/cost category	Year One of Extension			Year Two Extension			Total for Programme		
		GOT Contr	EDF Fund	Total	GOT Contr	EDF Fund	Total	GOT Contr	EDF Fund	Total
1.0	RINDERPEST ERADICATION AND CONTROL OF EPIZOOTICS									
1.1	Activities	141,790	150,520	292,310	110,026	128,038	238,064	251,816	278,558	530,374
1.2	Investments & supplies	47,150	68,450	115,600	15,400	61,700	77,100	62,550	130,150	192,700
1.3	Operating Costs	18,142	11,898	30,040	18,142	11,898	30,040	36,285	23,795	60,080
	Sub Total	207,082	230,868	437,950	143,568	201,635	345,204	350,651	432,503	783,154
2.0.	STRENGTHENING SURVELLANCE TO SUPORT POLICY FORMULATION									
2.1	Activities	117,690	195,830	313,520	104,690	138,830	243,520	222,380	334,660	557,040
2.2	Investments & supplies	30,600	86,438	117,038	35,832	36,950	72,782	66,432	123,388	189,820
2.3	Operating Costs	85,574	109,986	195,560	85,574	109,986	195,560	171,149	219,971	391,120
	Sub Total	233,864	392,254	626,118	226,096	285,766	511,862	459,961	678,019	1,137,980
Total For all Activities		259,480	346,350	605,830	214,716	266,868	481,584	474,196	613,218	1,087,414
Total for all Investments		77,750	154,888	232,638	51,232	98,650	149,882	128,982	253,538	382,520
Total for all operating Costs		103,717	121,883	225,600	103,717	121,883	225,600	207,434	243,766	451,200
Total for Programme		440,947	623,121	1,064,068	369,665	487,401	857,066	810,612	1,110,522	1,921,134
Contingencies		22,047	31,156	53,203	18,483	24,370	42,853	40,531	55,526	96,057
Grand Total		462,994	654,277	1,117,271	388,148	511,771	899,919	851,142	1,166,048	2,017,190

4. IMPLEMENTATION ARRANGEMENTS

Technical and administrative arrangements are detailed in annex 6. This section gives a summary of salient points on these implementation arrangements.

4.1. Project Steering Committee

The Project Steering Committee meets every three months or more often if necessary. It approves and supervises the overall approach and strategy of the project.

The Steering Committee examines and verifies the programme estimates and the reports on implementation drawn up and submitted by the Imprest Administrator and the Imprest Accounting Officer.

4.2. Management structure

The project organizational chart is in annex three.

Under the provisions of the corresponding financing agreement the project shall have technical and financial autonomy in managing the resources allocated to it for the direct labour component of this programme estimate.

The Imprest Administrator and Imprest Accounting Officer named below will implement the direct labour component of this programme estimate.

4.3. Imprest Administrator and Imprest Accounting Officer

For implementation of the direct labour component of this programme estimate, the National Authorising Officer shall partially delegate his/her powers to The Imprest Administrator and Imprest Accounting Officer designated below. Summary tables of powers delegated by the national authorising Officer for contracts and grant awards is in annex 13.

This partial delegation of powers is conditional upon:

- Strict observance of the rules and procedures set out in the "Practical guide to management of direct labour operations and programme estimates financed by the EDF" and in this programme estimate;
- Deposit of the authorised signatures of The Imprest Administrator and Imprest Accounting Officer *(and of any substitute)*;
- Opening of one or more "EDF Imprest" bank accounts.

The designated Imprest Administrator is:

Dr. Mohammed Msigara Bahari; National programme Coordinator

The designated Imprest accounting officer is:

The Substitute Imprest Administrator is:

Dr. Pascal Fidelis Mujuni; National Epidemiologist

The substitute Imprest accounting officer is:

Salim Mwinjaka; Livestock Economist

The tasks and responsibilities of the Imprest administrator and Imprest accounting officer are described in the Practical guide. Other details on implementation arrangement in Annex six dealing with technical and administrative implementation.

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

SIGNATURES

The Imprest Administrator

For agreement

.....
DR MOHAMMED M. BAHARI
NATIONAL PROJECT COORDINATOR
(Name and position)

Date .....

The Imprest Accounting Officer

for agreement

.....
EMMANUEL K. RHOBI
PROJECT ACCOUNTANT
(Name and position)

Date 20th September

Technical Ministry: MINISTRY OF WATER AND LIVESTOCK DEVELOPMENT

For agreement

.....
VINCENT F. MRISHO
PERMANENT SECRETARY
(name and position)

Date .....

.....
DR BARNOS W. S. KIMARYO
DIRECTOR OF VETERINARY SERVICES
(name and position)

Date.....

The National Authorising Officer
For approval

Name .....
Position.....

Signature.....
Date .....

The Head of Delegation
for endorsement

Name .....
Position.....

Signature .....
Date.....

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European Commission

EuropeAid Cooperation Office

Practical guide to management of direct labour operations and programme estimates financed by the European Development Fund (EDF)



Version 1.0 - February 2004

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1. Introduction

This practical guide sets out and explains the rules and procedures for implementation of direct labour operations and the direct-labour component of programme estimates financed under the 9th EDF and managed by the EuropeAid Cooperation Office (AIDCO).

Implementation by direct labour is authorised in the following circumstances:

- Where the Commission undertakes the financial implementation of EDF resources by means of decentralised management with the ACP States in accordance with the provisions set out in the ACP-EU Agreement and applying notably the breakdown of responsibilities provided for in Article 57 of the Agreement and Articles 34, 35 and 36 of Annex IV thereto;

- Exceptionally, if the National (or Regional) Authorising Officer is temporarily replaced by the EDF Chief Authorising Officer.[1]

The rules set out in this practical guide also apply to the direct labour operations and programme estimates of ongoing projects financed under previous European Development Funds, as long as there is no clash with the financing agreements governing the corresponding contracts.

They apply *mutatis mutandis* to direct-labour operations and programme estimates for "all ACP" projects (General Secretariat of the ACP Group, CDE, CTA, etc.).[2]

This practical guide cancels and replaces:

- The practical guide on work programmes and management of imprest accounts (version dated 25 April 1997);

- The practical guide on decentralised project management (version 1.1 dated March 1998);

- Chapters 3.4., 3.5. and 4.8. of the User Guide to the financial procedures of the 7th and 8th EDFs.

This practical guide complements the guide to the financial procedures of the 9th EDF, available on AIDCO's intranet site under "EDF - Financial procedures" page and the practical guide to contractual procedures financed from the 9th EDF, available on AIDCO's intranet under "EDF – Contractual procedures" page.

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1 See COM (2002) 290/3 giving the summary record of the meeting of Cabinets and Commission departments of 4 June 2002 in the framework of the procedure for adoption of the proposal for a EU Council Regulation on the Financial Regulation applicable to the 9th EDF.

2 In such cases a reference to the "Head of Delegation" in the present practical guide should be taken to mean the relevant AIDCO/C authorising officer at headquarters. Please refer to the instructions on the financial circuits that you can find on AIDCO's intranet site under "EDF - Financial procedures" page.

1.1. Legal framework and documentation

The legal provisions and guidelines applicable to **direct labour operations financed under the 9th EDF** are:

- The ACP-EU Partnership Agreement signed in Cotonou on 23 June 2000[3], in particular Articles 23(1)(e) and 24 of Annex IV, "Implementation and management procedures".

- ACP-EC Council of Ministers Decision No 2/2002 of 7 October 2002[4]:

  - adopting the General Regulations applicable to works, supply and service contracts financed by the EDF, and

  - extending ACP-EC Council of Ministers Decision No 3/1990 of 29 March 1990[5] adopting the General Conditions applicable to works, supply and service contracts financed by the EDF.

- The Financial Regulation applicable to the 9th EDF and adopted on 27 March 2003 by the UE Council[6], in particular Title V dealing with direct labour operations and Titles IV and VI dealing with public procurement and grants.

- This practical guide to management of direct labour operations and programme estimates financed by the EDF.

1.2. Forms of implementation

Implementation of EDF-financed projects and programmes generally takes the following forms:

- award of public contracts;

- award of grants;

- performance by direct labour, implying the implementation of programme estimates.

Public contracts are contracts for pecuniary interest concluded in order to obtain, against payment of a price, the supply of movable assets, the execution of works or the provision of services.[7]

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3 Official Journal of the European Union L 317, 15.12.2000.

4 Official Journal of the European Union L 320, 23.11.2002.

5 Official Journal of the European Union L 382, 31.12.1990.

6 Official Journal of the European Union L 83, 1.4.2003.

7 See Article 73(1) of the 9th EDF Financial Regulation.

Public contracts are **drawn up and awarded** in accordance with the General regulations applicable to works, supply and service contracts financed by the EDF and the practical guide to contract procedures financed from the 9th EDF. **Their performance** is governed by the general conditions applicable to works, supply and service contracts financed by the EDF.

Grants are direct financial contributions awarded by way of a donation from EDF resources in order to finance:

- either an action designed to help achieve an objective of the Cotonou Agreement or of a programme or project adopted in accordance with that Agreement;

- or the functioning of a body which pursues such an objective.[8]

The **award of grants** is governed by Title VI of the Financial Regulation applicable to the 9th EDF and by the practical guide to contract procedures financed from the 9th EDF.

Implementation by direct labour is covered by Title V of the Financial Regulation applicable to the 9th EDF and by this practical guide.

[8] See Article 82(1) of the 9th EDF Financial Regulation.

2. Special position of direct labour operations and programme estimates

Annex IV to the Cotonou Agreement provides for **direct labour operations** as follows[9]:

"In the case of direct labour operations, projects and programmes shall be implemented through public or semi-public agencies or departments of the State or States concerned or by the person responsible for executing the operation."

"The Community shall contribute to the costs of the department involved by providing the equipment and/or materials that it lacks and/or resources to allow it to acquire additional staff required in the form of experts from within the ACP States concerned or other ACP States. The participation of the Community shall cover only costs incurred by supplementary measures and temporary expenditure relating to execution that is strictly confined to the requirements of the project in question."

2.1. The difference between direct labour operations and externalised direct labour operations

The Financial Regulation applicable to the 9th EDF distinguishes between two forms of direct labour:

- **Direct labour operations**[10]

  "In the case of direct labour operations, projects and programmes shall be implemented directly through public departments of the ACP State or States concerned."

  "The Community shall contribute to the costs of the department involved by providing the equipment and/or materials that it lacks and/or the resources to acquire any additional staff required, such as experts from within the ACP States concerned or other ACP States. The Community's participation shall cover only costs incurred by supplementary measures and temporary expenditure relating to execution that are strictly confined to the requirements of the project in question."

  "The financial management of a project implemented by direct labour (..) shall be carried out by imprest accounts administered by an imprest administrator and an accounting officer appointed by the National Authorising Officer with the prior approval of the Head of Delegation."

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9 Article 24 of Annex IV to the Cotonou Agreement.

10 Article 80(2) of the 9th EDF Financial Regulation.

➢ **Externalised direct labour operations**[11]

"In the case of externalised direct labour operations, the (recipient ACP State or States) shall entrust tasks relating to the implementation of projects or programmes to public, semi-public or private bodies that are legally distinct from the ACP State or States concerned."[12]

"In such cases, the body concerned shall assume responsibility for the management and implementation of the programme or project in place of the National Authorising Officer. Tasks so delegated may include the power to conclude contracts and manage contracts and the supervision of works on behalf of or for the account of the ACP State or States concerned."

"In the case of externalised direct labour operations the (recipient ACP State or States) shall conclude a service contract with a third party organisation."

The service contract with the public, semi-public or private body responsible for implementing the project or programme must be awarded in accordance with the General Regulations applicable to EDF-financed contracts.

2.2. Programme estimates

2.2.1. Definition

The Financial Regulation applicable to the 9th EDF gives the following definition[13]:

"Direct labour operations shall be implemented in the form of a programme of measures to be carried out and an estimate of their cost, hereinafter referred to as the programme estimate".

"The programme estimate is a document laying down the human and material resources required, the budget and the detailed technical and administrative implementing arrangements for execution of a project over a specified period by direct labour and, possibly, by means of public procurement and the award of specific grants."

"Each programme estimate shall be prepared by the imprest administrator and the accounting officer, in the case of direct labour operations, or by the third party organisation, in the case of externalised direct labour operations, and shall then be approved by the National Authorising Officer and the Head of Delegation before the activities it provides for commence."

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[11] Article 80(3) of the 9th EDF Financial Regulation.

[12] These bodies must have legal personality, i.e. the legal capacity to have rights and obligations, including the power to sign contracts in their own name.

[13] Article 80(4) of the 9th EDF Financial Regulation.

2.2.2. Main characteristics

Both standard and externalised direct labour operations are implemented by means of programme estimates, the main features of which are:

- Programme estimate is designed to **implement part of a project or programme** covered by a financing agreement.

- Programme estimate must cover, with reference to the relevant financing agreement, **a work programme, a budget estimate, a financing plan** and **technical and administrative implementing arrangements** over the period in question.

- Programme estimate is drawn up at **regular intervals, usually yearly**.

- Programme estimate is implemented by means of one or more bank accounts administered by the imprest administrator and the accounting officer or by the third-party body responsible for implementing the project or programme, these administrators being empowered by the National (or Regional) Authorising Officer to do so **(direct labour component of the programme estimate)**.

  Part of the work programme to be carried out under the programme estimate may usually be implemented directly by the National (or Regional) Authorising Officer through public procurement and/or grants **(component of the programme estimate covered by specific individual financial commitments)**.

- The programme estimate is **drafted and signed** by:

  - the imprest administrator and the imprest accounting officer, each in the framework of their respective roles[14] in the case of direct-labour operations;

  - the third-party organisation responsible for implementing the project or programme, in the case of externalised direct labour operations.

- Before the activities provided for in the programme estimate can start up, it must be **approved and signed** by:

  - the National (or Regional) Authorising Officer;

  - the Head of Delegation, for approval of the financing (endorsement).

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[14] See sections 2.3.1. and 2.3.2. of this practical guide for an explanation of their roles.

- The direct labour component of the programme is **implemented**, in accordance with the principle of effective separation of the authorisation and payment functions, by:
  - the imprest administrator and the imprest accounting officer, in the case of direct labour operations;
  - the third-party organisation responsible for implementing the project or programme, in the case of externalised direct labour operations.

- If a project, because of its geographical or cross-cutting scope, involves activities that cannot be implemented properly in a centralised manner, it may prove necessary to set up separate components with their own programme estimates for their implementation. Each of those programme estimates, unlike the one of a centralised nature, are prepared and implemented by their own imprest administrator and imprest accounting officer in accordance with the rules and roles set out in this practical guide. In such cases the imprest administrator and imprest accounting officer responsible for the central programme estimate will have to coordinate the drafting and submission of all the project programmes estimates.

The creation of "subimprests" is no longer authorised.

2.3. Roles and responsibilities

The roles and responsibilities of the Chief Authorising Officer, the National (or Regional) Authorising Officer, the Head of Delegation and the Paying Agent in managing direct-labour operations are set out in Chapter 6 ("Management and executing agents") of Annex IV to the Cotonou Agreement.[15]

The National (or Regional) Authorising Officer delegate some of their powers for the implementation and financial management of direct labour operations.[16]

In the case of **direct labour operations**, they are delegated to the **imprest administrator** and the **imprest accounting officer**, who are appointed by the National (or Regional) Authorising Officer and designated in each programme estimate. These appointments must have the prior approval of the Head of Delegation[17]. If the imprest administrator and the imprest accounting officer are not officials or other agents of the ACP State(s) concerned, they normally sign an employment contract with the National (or Regional) Authorising Officer.

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15 See Articles 34 to 37 of Annex IV to the Cotonou Agreement.

16 See Article 35(1) of Annex IV to the Cotonou Agreement

17 See Article 80(2) of the 9th EDF Financial Regulation.

In the case of **externalised direct labour operations**, they are delegated to the **public, semi-public or private body** responsible for implementing the project or programme following the conclusion of a service contract. The corresponding service contract must specify the tasks that have been delegated and the manner in which the project/programme will be managed and implemented. Such a service contract with a third party **must notably contain the following provisions**[18]**:**

- adequate provision for control of the use of EDF resources by the Chief Authorising Officer, the Head of Delegation, OLAF (the anti-fraud office), the National (or Regional) Authorising Officer, the European Court of Auditors and the national audit bodies of the ACP State or States concerned;

- a clear definition and demarcation of the powers delegated to the third party organisation concerned and the powers retained by the National (or Regional) Authorising Officer;

- the procedures to be followed in exercising the powers so delegated, such as the selection of operations to be financed (grants), the award of contracts or contrating authority;

- the possibility of *ex post* review and financial penalties where the award of grants or contracts by the third-party organisation does not comply with the procedures laid down above;

- effective separation of the duties of authorising officer and accounting officer;

- the existence of an effective internal control system for management operations;

- the existence of an accounting system for management operations and separate procedures for the presentation of accounts, so enabling the correct use of EDF resources to be ascertained.

Annex 1 to this practical guide specifies what must be covered in the terms of reference annexed to the service contract concluded with the third-party organisation responsible for implementing a project or programme.

The service contract with the third-party organisation must clearly designate the two persons who will take on the duties of authorisation (imprest administrator) and payment (imprest accounting officer). These persons must then be duly authorised by the third-party organisation to sign and act on its behalf in implementing the corresponding programme estimates.

[18] See Article 81 of the 9th EDF Financial Regulation.

The duties of authorising officer and imprest accounting officer are separate and mutually incompatible[19]. This principle of segregation and incompatibility of functions is also applicable to imprest administrators and imprest accounting officers of a programme or project implemented by direct labour.

In direct labour operations there must be no form of subordination between the imprest administrator and imprest accounting officer in the exercise of their duties. In externalised direct labour operations the two must be able to exercise their duties independently.

The duties of imprest administrator shall be carried out by a single person. This also applies to the duties of imprest accounting officer.

The duties and powers delegated to the imprest administrator and accounting officer should in any case be set out or referred to in the detailed technical and administrative implementing arrangements for the programme estimate.

These arrangements should also name the substitute imprest administrator and the substitute imprest accounting officer.

2.3.1. The imprest administrator

The imprest administrator is responsible for drawing up the technical and operational parts of the programme estimate. With the imprest accounting officer, he or she submits the programme estimate for approval and, where need be, liaises with the other imprest administrators in drafting and submitting programme estimates for local or cross-cutting components.

In implementing the direct labour component of a programme estimate, the imprest administrator is also responsible for all expenditure commitments, payment authorisations and recoveries.

The imprest administrator therefore:

- commits the expenditure provided for in the direct-labour component of the programme estimate;
- signs for and on behalf of the National (or Regional) Authorising Officer, order forms and contracts resulting from tenders and calls for proposals and/or consultations, subject to conditions and limitations laid down in the programme estimates that he or she is in charge of;

[19] See Article 17(1) of the 9th EDF Financial Regulation.

- accepts the corresponding works, supplies and services;

- verifies for each invoice, payment request and interim or finalised statement of account that the works provided for were realised, supplies provided for were delivered and services provided for were rendered and/or the actions effected in accordance with the related contracts; endorses and signs each of these documents as "certified correct";

- sends these documents and any supporting documents to the imprest accounting officer for payment;

- co-signs, with the imprest accounting officer, cheques, bank transfer orders and disbursement authorisations.[20]

2.3.2. The imprest accounting officer

Note that the term "imprest accounting officer" refers to the person jointly responsible for the financial management of the direct labour component of a programme estimate, not necessarily to the person who actually keeps the accounts.

The imprest accounting officer is responsible for drawing up the financial part of the programme estimate. Jointly with the imprest administrator, he or she submits the programme estimate for approval and, where need be, liaises with the other imprest accounting officers in drafting and submitting programme estimates for local or cross-cutting components.

During implementation of the direct labour component of the programme estimate, the imprest accounting officer is responsible for verification and implementation of payments and recoveries after their authorisation by the imprest administrator. This also includes responsibility for the bookkeeping of these operations.

The imprest accounting officer therefore:

- verifies the correct application of contract and grant award procedures;

- verifies the existence of adequate and reliable supporting documents for commitments, payments and any recoveries;

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[20] So bank transactions and cash disbursements require two signatures, that of the imprest administrator and of the imprest accounting officer.

- verifies the contractual and financial details of each invoice, payment request and interim or final itemised statement of account submitted by the imprest administrator;

- co-signs with the imprest administrator cheques, bank transfer orders and disbursement authorisations;

- draws up and updates lists of staff and their pay, the inventory of materials and equipment and, where appropriate, inventories of stock financed by the project or programme;

- prepares and draws up requests for replenishment and for closure.

2.3.3. The steering committee

In addition to these organisational requirements, some ACP States have steering committees to provide guidance and support for the implementation of projects and programmes.

There is no obligation to set up a steering committee. The decision to set one up and what its role will be is taken jointly by the National (or Regional) Authorising Officer and the Head of Delegation.

The steering committee is usually made up of representatives of various bodies involved in the implementation or supervision of the project or programme in question, most notably the National (or Regional) Authorising Officer, the technical ministry concerned and the Head of Delegation, who has observer status.

The steering committee may be involved in:

- steering and generally coordinating projects and programmes within its remit;

- verifying and approving annual programming proposals for projects and programmes within its remit;

- verifying proposals for programme estimates in the context of these projects and programmes;

- assessing reports on the implementation of projects/programmes and project supervisors' reports;

- arbitrating where necessary and taking decisions on any alterations to the programme.

If it is necessary or helpful to set up a steering committee for implementation of a project/programme, provision for it should be made in the corresponding financing proposal. Furthermore, the role of

the steering committee should be described in the financing agreement if possible and without fail in the technical and administrative implementing arrangements for the corresponding programme estimates.

3. Approval and implementation of direct labour operations

3.1. Date + 3 years rule

Contracts and programme estimates[21] that implement financing agreements must as a rule be concluded within three years from the date of adoption of the corresponding global financial commitment by the AIDCO/C Director (subdelegated authorising officer). Contracts for audits and evaluations may be concluded later. This exception also applies to contracts concluded under other contracts and to contracts concluded in the framework of the direct labour component of programme estimates.

However - but only where management is decentralised or in case of temporary replacement of the National (or Regional) Authorising Officer by the Chief Authorising Officer - if this rule cannot be adhered to because of the nature of the project/programme to be financed, a duly substantiated derogation request should be submitted in advance by the Head of Delegation to the AIDCO/C Director (subdelegated authorising officer). This request must be entered as early as possible at the project/programme design and planning stage. The AIDCO/C Director (subdelegated authorising officer) may approve or turn down such requests on the basis of the reasons supplied proving that the rule can not be followed. If approved, the derogation endorsed by the AIDCO/C Director must be attached to the corresponding financing proposal sent by the Head of Delegation to AIDCO.

3.2. Financing agreement

At the end of the identification and formulation phases of the project cycle a financing proposal is drawn up by the relevant Commission departments in close consultation with the ACP State or States concerned with a view to the adoption of a financing decision by the Commission. A financing decision leads to the earmarking of funds corresponding to the amount of the financing decision, which is called a global financial commitment, and then to the signing of a financing agreement between the Commission and the ACP State or States concerned.[22]

The technical and administrative provisions (TAP) annexed to the financing agreement describe and include notably the work programme, the procedures and conditions for implementation and financing, the provisional technical and financial execution timetable, a detailed listing of all the tasks and activities to be carried out and a detailed cost estimate for the project or programme.

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[21] Including any addenda that increase their initial amount.

[22] See Articles 15 to 17 of Annex IV to the Cotonou Agreement.

The decision to use direct labour operations to implement a project/programme is taken at the planning stage and provision made for it must be foreseen in the financing proposals and the TAP annexed to the corresponding financing agreements.[23]

The TAP annexed to each financing agreement should cover the following at least:

- the type of direct labour operation to be used;
- the extent of the powers to be delegated by the National (or Regional) Authorising Officer to those managing the project/programme;
- the forecast time it will take to implement all the programme estimates;
- frequency of audits;
- the setting-up of the steering committee, if one is planned, and description of its role.
- the setting-up of local or cross-cutting components if any are planned.

The financing agreement with the attached TAP is thus the reference document for both recourse to direct labour operations and the drafting of consecutive programme estimates to implement the corresponding projects and programmes.

Annex 2 to this practical guide sets out the specific points that must be covered in the TAP annexed to the financing agreement of a project to be implemented by direct labour.

The general conditions of financing agreements henceforth specify that the procedures for implementing direct labour operations and programme estimates must comply with the rules in force, which are set out in this practical guide.[24]

3.3. Drawing up the programme estimate

3.3.1. Types of commitments (direct labour - specific)

As mentioned in the previous chapter, the programme estimate may comprise two differently managed forms of expenditure which call for different financial specific commitments:

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[23] See Article 80(6) of the 9th EDF Financial Regulation.

[24] See financing agreement template, Article 7.1 of the General Conditions.

➢ **Direct labour commitment**

The direct labour component of the programme estimate corresponds to the estimate of the amount of financing to cover all the expenditure needed to carry out the planned work programme as foreseen in the programme estimate, with reference to the period covered by the programme estimate and which:

- will be implemented by the imprest administrator and the imprest accounting officer within the limits of the powers subdelegated by the National (or Regional) Authorising Officer;

- will be paid out during the period covered by the programme estimate via the bank account(s) to which the imprest administrator and imprest accounting officer are signatory;

- will, if appropriate, be paid in the period prior to the submission of the request for closure[25] via the same bank account(s).[26]

If the time to perform contracts and grants implemented with the subdelegated powers accorded to the imprest administrator and the imprest accounting officer exceeds the period covered by the programme estimate, the total estimated amount of financing must be provided for in the direct labour component of the programme estimate under which they are to be awarded. Provision must be made for the means to continue performance of contracts concluded by the imprest administrator under the direct labour component if their implementation period exceeds the period covered by the programme estimate.[27]

All this expenditure, duly forecast and budgeted for, is the subject of a individual financial commitment for the total sum of the direct labour component of the programme estimate, hereinafter referred to as "direct labour commitment".

➢ **Specific commitments**

The programme estimate may also provide for contracts and grants to implement the financing agreement which cannot be carried out with the subdelegated powers granted to the imprest administrator and the imprest accounting officer. These contracts, which will be awarded and managed by the National (or Regional) Authorising

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25 See section 4.1.5. of this practical guide.

26 For example, wages and salaries for the last month covered by the programme estimate that are paid the following month, an electricity bill for the last month covered by the programme estimate that is received and paid in the following month, etc.

27 See also the last paragraph on the section dealing with the operational phase in section 3.3.4. of this practical guide.

Officer and/or the Head of Delegation, will each be the subject of an individual financial commitment, hereinafter referred to as a "specific commitment". Payments under these contracts will be authorised by the National (or Regional) Authorising Officer and/or the Head of Delegation. The estimated amounts of these contracts and grants should be referred to in the programme estimate under which they are to be awarded, for information and for the amount estimated, and mentioned for the record in all subsequent programme estimates as long as the contract or grant is under way.

In the case of contracts and grants that will take longer to implement than the period covered by the programme estimate, it is up to the National (or Regional) Authorising Officer, in liaison with the Head of Delegation, to weigh up the advisability of financing them as part of the direct labour component of the programme estimate or of financing them with specific financial commitments. This should be done before the programme estimate is approved.

Each individual financial commitment[28], whether direct labour or specific, is charged against the global financial commitment which covers the corresponding financing agreement.

3.3.2. Types of authorised expenditure

The types of expenditure that can be financed by the direct labour component of programme estimates are:

- service contracts, except contracts for financial audits and the evaluation of the project or programme, and contracts calling for the framework-contract procedure;
- supply contracts;
- works contracts;
- grants;
- staff costs such as the additional allocations of seconded officials or other agents of the ACP State, their salaries being borne by the country's budget[29], and the wages, salaries and allocations of staff recruited for the project or programme;

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[28] Individual financial commitments are also called assigned funds in accordance with Article 54(3) of the 9th EDF Financial Regulation.

[29] The allocations paid to officials and other agents of the ACP State seconded to the project or programme must be reasonable in proportion to their salaries.

- administrative expenditure such as the rent of offices and houses, supplies, vehicles, mission and travel expenses, per diems, bank charges, etc.

In the case of direct labour operations, the salaries and/or allocations paid to the imprest administrator and the imprest accounting officer may be financed from the direct labour component of the programme estimate. In the case of externalised direct labour operations, the staff and running costs of the third-party organisation cannot be covered by the direct labour component of the programme estimate because these costs are covered by the service contract concluded with the organisation.

The thresholds and rules applicable to the award of contracts and grants, whether financed by the direct labour component of programme estimates or by specific commitments, are set out in Section 4 of this practical guide.

In accordance with the principles of sound financial management, the financing of credit lines or loans under programme estimates is henceforth prohibited, as is borrowing from financial institutions and loans/cash transfers between projects.

3.3.3. Types of programme estimates

Implementation of part of a project or programme by direct labour operations falls into three phases: **start-up**, **operational** and **closure**.

Those implementing the project or programme will draw up, in step with these phases, a start-up programme estimate followed by several (rarely only one) consecutive programme estimates for the operational phase, the final one also covering closure.

3.3.4. Duration of programme estimates

There may not be two successive programme estimates covering the same implementation period. They must therefore follow on from each other without any overlapping of dates.[30]

[30] Only activities relating to the financial closure of a programme estimate those implementation period is finished may be carried out during the following programme estimate, except for the closure of the last programme estimate of the project or programme (see paragraph on closure below).

The duration of programme estimates for implementation of the project or programme should be indicated in the TAP annexed to the corresponding financing agreement.

- **Start-up phase**

  The duration of the start-up programme estimate is specified in section 3.3.10. of this practical guide.

- **The operational phase**

  Operational programme estimates are **normally annual**.

  Whatever the case, the initial duration of a programme estimate may not exceed 18 months.

  The possibility of drawing-up programme estimates with an initial duration of more than 12 months should be used to get the implementation timetable in sync with the technical demands of the work programme (e.g. agricultural season or school year) or aligned on the calendar year or financial year of the ACP State where need be.

  In the interests of consistency and sound management, drawing up a programme estimate with an implementation period or duration that is not in step with the work programme it is financing should be avoided.

  Where some or all of the activities provided for in a programme estimate are not carried out in the period covered by that programme, they must be carried over to the following programme estimate, which then has to budget for their full implementation. This avoids having to extend a programme estimate simply to finish the planned programme of activities or to deal with the time-limits on guarantees for the performance of contracts concluded in the period covered by that programme estimate.

- **Closure phase**

  To ensure that the direct labour component of the last programme estimate can be closed on schedule, the implementation period of this last programme estimate **must include a closure phase of not more than 6 months,** the sole purpose of which is the drawing-up and submission by the imprest administrator and the imprest accounting officer of the closure request, including the final statement of expenditure incurred, its verification by the National (or Regional) Authorising Officer and by the Head of Delegation, and any financial audit.

3.3.5. Sources of financing for programme estimates

There are several sources of financing for projects and programmes implemented by direct labour operations and programme estimates:

➢ **National funds**

- **National budget**

  The national budget of the ACP State concerned usually finances recurrent costs which will continue after completion of the project or programme, an example being the salaries of local officials and other agents of the ACP State seconded to the project or programme by their ministries. Such financing is subject to the rules of the ACP State concerned.

- **Counterpart funds**[31]

  Counterpart funds are constituted by the ACP State from:

  - the local currency generated from the sale of goods provided by EC external aid;

  - the countervalue in local currency of the foreign exchange provided by EC external aid.

  These funds are managed by the ACP State concerned in agreement with the Head of Delegation.

➢ **EDF funds**

The EDF is usually the principal source of financing for both the direct labour commitment and, where appropriate, any individual commitments of a programme estimate.

➢ **Own resources generated by the project**

These resources include any interest on bank accounts, asset sales, services invoiced to third parties, the beneficiaries' contributions, and the like. Own resources may be used to finance only activities provided for in the programme estimate and must be accounted for just like other source of financing.

The conditions for using own resources should be set out in detail in the technical and administrative implementing arrangements for the programme estimates.

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[31] See point 1.1.5 of the *Guide for the programming and implementation of budget support for third countries.*

The unexpended balance of own resources at completion of the project must be transferred to the EDF.

The funds from these different sources (national funds, EDF funds, own resources) must be paid into separate bank accounts and under no circumstances should they be invested or put on term accounts.

3.3.6. Contents of the programme estimate

A model for an operational programme estimate can be found in Annex 3 to this practical guide.

- The **cover page** of a programme estimate should give the following information:
  - the ACP State or States concerned;
  - the technical ministry or its equivalent, where applicable;
  - the title of the project or programme;
  - the accounting number of the corresponding global financial commitment;
  - the title or number of the programme estimate;
  - the period covered by the programme estimate;
  - the total amount of the programme estimate;
  - the amount of the direct-labour component of the programme estimate.

- The **content** of the programme estimate, which stem from the TAP annexed to the corresponding financing agreement must include the following:
  - a **work programme**;
  - a **budget estimate**;
  - a **financing plan**;
  - the **technical and administrative implementing arrangements** over the period concerned.

The work programme, the budget estimate and the financing plan must itemise separately:

- expenditure under the direct labour component of the programme estimate, which will be the subject of a direct labour commitment, and
- proposals for contracts and/or grants, which will require specificl commitments

specifying the proposed award procedures.

➢ **Work programme**

The work programme should set out the context, the logical framework, the objectives, the expected results, the activities to be undertaken during the period covered by the programme estimate and the material and human resources necessary for carrying out these activities. It should make clear the interaction between the project or programme and other parties involved.

From the second operational programme estimate onwards, the work programme should also mention progress in carrying out the activities of the project/programme (activities done, results obtained, any deviation from the forecast programme and any relevant explanations, especially concerning activities not undertaken and carried over to the next programme estimate).

A provisional implementation timetable should be attached to the work programme. Activities should be presented as individual operations or in the form of units of work so that they can be costed in the budget estimate and later properly managed, i.e. expenditure monitored.

➢ **Budget estimate**

The budget estimate should refer to the same categories of expenditure as used in the TAP annexed to the corresponding financing agreement. Within these categories, items of expenditure should be presented in accordance with the interventions of the logical framework, i.e. by subactivity and activity on the basis of objectives. The budget should also include an estimate of expenditure not directly attributable to the activities and subactivities[32], and of project or programme operating costs[33] over the period concerned.[34]

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32 Principally investments and audit and evaluation expenses.

33 Principally rent, permanent staff costs, vehicle running costs, various supplies, and the like.

34 See also the second and third paragraphs dealing with the direct labour commitment in section 3.3.1. of this practical guide.

All budget headings and items should be costed in as much detail as possible; this concerns both programmed activities and the human and material resources needed to carry out them over the period concerned.

Any own resources generated by a project or programme should be estimated separately. The use to be made of them should be entered against the corresponding own resource and detailed in the same way as other activities.

The budget allowances should be established with great care and in a realistic and economic way in order to allow the use of the bugdet estimate effectively and as a reference document for both coordination and technical purposes and for the financial management of the programme estimate, and thus the management of the whole project or programme

The budget estimate should be drawn up in national currency or, where applicable, the currency proposed for payment of expenditure so that the financial implementation of the programme estimate can be monitored. The rules governing the currency of a programme estimate are set out in Annex 5 of this practical guide.

A provisional financial implementation timetable should be attached to the budget estimate.

The model of operational programme estimate annexed to this practical guide offers additional guidance and model tables for drawing up and submitting budget estimates.

- **Financing plan**

The financing plan recapitulates all the sources of funds, Community and otherwise, required for implementation of the programme estimate and sets out in detail the interventions to be financed by each.

- **Technical and administrative implementing arrangements**

The technical and administrative implementing arrangements are directly derived from the TAP annexed to the corresponding financing agreement and serve to flesh them out.

As a minimum they should include the following information:

- the names of the imprest administrator and the imprest accounting officer;

- the period covered by the programme estimate;

- the references of the "EDF imprest" bank account(s);
- calculation of the initial allocation (advance) to be paid into the "EDF imprest" bank account(s);
- the intervals at which replenishment of the "EDF imprest" bank account(s) will be requested, including justification of expenditure incurred;
- procedures and thresholds for the award of contracts and grants;
- cash disbursement procedures ;
- rules on the currency of payments;
- staff management rules ;
- the content and timing of implementation reports;
- provisions on closure of the direct labour component of the programme estimate;
- provisions for internal and external controls, such as frequency of financial audits;
- tax and customs arrangements.

3.3.7. « EDF imprest » bank account

In principle, the imprest administrator and the imprest accounting officer open an "EDF imprest" account at a bank of the ACP State concerned[35]. This bank account will be reserved for payment transactions relating to the implementation of activities provided for in the direct labour component of the programme estimate carried out under the corresponding commitment. It will be credited with an initial allocation (advance) and replenished at regular intervals.[36]

For ordinary direct labour operations a single bank account in national currency should be enough since all payments will normally made in national currency.

For externalised direct labour operations one or more bank accounts will be opened in national currency and/or euro and/or another

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[35] The name of the account should include the name, initials or acronym of the project or programme and the number of the programme estimate.

[36] See section 4.1.2. of this practical guide.

currency according to the currency of payment of the planned expenditure.

The rules on the use of currencies for payment of expenditure under the direct labour component of programme estimates are set out in Annex 5 to this practical guide.

Such bank accounts require two signatures, that of the imprest administrator and that of the imprest accounting officer. These accounts, separated by currency, are used for all financial transactions.

Payments from such bank accounts are made for and on behalf of the National (or Regional) Authorising Officer and normally do not require the intervention of either the National (or Regional) Authorising Officer or the Head of Delegation. However, the National (or Regional) Authorising Officer, in agreement with the Head of Delegation, may decide to fix a threshold above which all payments need his or her prior authorisation. This decision must be reflected in the technical and administrative implementing arrangements for the corresponding programme estimates.

In the interests of sound financial management, monitoring of advances, consistency in implementation of consecutive programme estimates and facilitate closure of direct labour commitments, the imprest administrator and the imprest accounting officer are required to open one or more bank accounts for the implementation of each new programme estimate.

3.3.8. Petty cash

Payments to cover expenditure under the direct labour component of a programme estimate are usually made by bank transfer or cheque. Nevertheless petty cash in national currency may be kept to pay small amounts of administrative expenditure. It is managed under the responsibility of the imprest accounting officer.

The total sum of expenses paid in petty cash should be kept to a strict minimum and its use reserved for payments which cannot be made by other means. Furthermore, the amount of petty cash available should be kept to a reasonable minimum and made secure.

3.3.9. Amount of the initial allocation (advance)

The amount of the initial allocation (advance)[37] is calculated to cover implementation of the direct labour component of the programme

[37] Also referred to as "prefinancing" in Article 63 of the 9th EDF Financial Regulation.

estimate until the date scheduled for the first replenishment of the "EDF imprest" bank account following approval of the first statement of expenditure.

The amount of the advance is thus determined on the basis of the requirements of implementation the direct labour component of the programme estimate and may under no circumstances be invested.

The amount of the initial allocation (advance) should be between 20% and 30% of the total amount (excluding the reserve for contingencies) of the direct labour component of the programme estimate. Under no circumstances may it exceed the value of planned expenditure in the first six months of implementation of the direct labour component of the programme estimate or 50% of the amount of that component, less the contingency reserve.

These ceilings do not apply to the start-up programme estimate.

3.3.10. Start-up programme estimate

The start-up programme estimate is intended to finance the work of launching the project/programme and of preparing the first operational programme estimate as soon as the people in charge of implementing it are in place.

The start-up programme estimate should therefore cover the shortest period possible, which should in no circumstances exceed six months. The amount of financing will be small and used solely for task of preparing the first operational programme estimate.

The start-up programme estimate should be drawn up by the office of the National (or Regional) Authorising Officer on the basis of a simple model tailored to the specific needs of the project or programme. It does not necessarily require the signature of the imprest administrator and the imprest accounting officer before its approval by the National (or Regional) Authorising Officer and the Head of Delegation.[38]

Given its nature and contents, the start-up programme estimate should be rapidely approved by the National (or Regional) Authorising Officer and the Head of Delegation.

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[38] The signing of the start-up programme estimate by the imprest administrator and the imprest accounting officer and the deposit of their signatures to the "EDF imprest" bank account can be done later when they are posted to the project or programme. The initial allocation (advance) may be paid at that moment.

Taking into account the modest amount and the short implementation period of the start-up programme estimate, the amount of the initial allocation (advance) may equal that of the direct labour component of the programme estimate.

A model for a start-up programme estimate can be found in Annex 4 of this practical guide.

3.4. Approval and signing of the programme estimate

3.4.1. Approval circuit of the programme estimate

The approval circuit of an operational programme estimate is as follows:

- Drawing up of the programme estimate by the imprest administrator and the imprest accounting officer;
- Verification of the programme estimate by the steering committee, where applicable;
- Signing of the programme estimate by the imprest administrator and the imprest accounting officer;
- Verification, approval and signing of the programme estimate by the National (or Regional) Authorising Officer;
- Verification, approval and endorsing of the programme estimate by the Head of Delegation.

The Head of Delegation's endorsement of the programme estimate signals his or her agreement to its financing with EDF resources as long as the rules and procedures set out in this practical guide are followed. If the rules and procedures are not followed, expenditure on the operations in question will become ineligible for Community financing.

The circuit for approval by the Head of Delegation may vary depending on whether the Delegation is devolved or not. If the Delegation is not devolved, it also depends on whether or not the programme estimate's direct labour component is over EUR 400 000.

a) Devolved delegations

The stages necessary for the approval of a programme estimate and the recording of the individual financial commitment (assigned funds) corresponding to the direct labour component are described in the instructions on the financial circuits

available on AIDCO's intranet site under "EDF - Financial procedures" page.

b) Non-devolved delegations

The cost of the direct labour component of the programme estimate is **over EUR 400 000**:

- the relevant adviser scrutinises the operational and financial details of the programme estimate that has been approved, signed and transmitted by the National (or Regional) Authorising Officer.

- the Head of Delegation sends the programme estimate with his/her comments to the relevant AIDCO/C operational unit; AIDCO/C8, the "finance, contracts and audits unit" must be consulted as well.

- the headquarters unit has a month to give its opinion and/or agreement. Once this time-limit has elapsed, the programme estimate is deemed approved by headquarters.

- the Head of Delegation approves and endorses the programme estimate.

If the direct labour component of the programme estimate is **less than EUR 400 000**, the Head of Delegation can approve it without the prior agreement of headquarters.

In both cases and after he has endorsed the programme estimate, the Head of Delegation sends:

- one original to the National (or Regional) Authorising Officer,

- one original to the team responsible for implementation of the project or programme,

- one original to the supervisory technical ministry, where applicable,

and keeps one original in the delegation.[39]

[39] The Head of a non-devolved delegation should also send an original to AIDCO/C8 for entry in the accounts of the direct labour commitment (assigned funds) and a copy to the operational unit concerned in Directorate AIDCO/C.

Tips:

- **Amendments to proposed programme estimates**

  If changes have to be made in response to comments by the National (or Regional) Authorising Officer and/or the Head of Delegation, the proposal will have to be modified consequently and go through the approval circuit once again.

  In order to avoid losing time like this, it might be a good idea for the project or programme implementation team to submit their proposed programme estimate at a joint meeting with all the authorities concerned. This is also one of the roles of the steering committee, where there is one. The conclusions of this meeting can then be incorporated into the final version of the proposal, which is then likely to be adopted without delay.

- **Opening of the "EDF imprest" bank account(s) and deposit of signatures**

  In order to speed up implementation of the programme estimate and payment of the initial allocation (advance), the following formalities - opening the "EDF imprest" bank account(s), deposit of the signatures of the imprest administrator and the imprest accounting officer, and completion of the form for the "financial identification"- can usefully be done before the programme estimate is signed by the National (or Regional) Authorising Officer and the Head of Delegation.

- **Request for payment of the initial allocation**

  On the same lines and for the same reasons, the request for transfer of the initial allocation (advance) to the "EDF imprest" bank account(s) may be drawn up and submitted at the same time as the final version of the proposal for a programme estimate.

3.4.2. Time-limits for approving programme estimates

The time taken to draw up a programme estimate and get it adopted will depend on a number of factors (devolved or non-devolved delegation, existence of a steering committee playing an active role in the adoption of programme estimates, intervention of one or more technical ministries, etc.) and on the quality of the preparatory work.

So the following should be taken into account:

- Time necessary to the team responsible for implementation of the project or programme to draw up the proposal, including formal or informal consultations with the National (or Regional) Authorising

Officer, the Head of Delegation and/or the technical supervisory authority;

- Time necessary to the steering committee to assess and verify the proposal (where applicable);
- Time to amend the proposal in the light of the steering committee's recommendations (where applicable);
- Time needed to get the programme estimate approved by the National (or Regional) Authorising Officer;
- Time needed to get the programme estimate approved by the Head of Delegation;
- In the case of non-devolved delegations and in case the amount of the direct labour component of a programme estimate is over EUR 400 000, the time needed to get the proposal approved by headquarters.

Nevertheless, the time taken for preparation and approval of the programme estimate should not exceed four months.

Whatever the case, the programme estimate should be ready early enough to be approved and signed by the National (or Regional) Authorising Officer and the Head of Delegation before the start-up of the planned activities of the direct labour component of the programme estimate.

Expenditure paid and/or committed before the date on which the programme estimate is endorsed by the Head of Delegation may under no circumstances be financed by the EDF.

Lastly, it is advisable to take account of the time needed for payment of the initial allocation so as to have the necessary funds available for the start-up of the activities of the direct labour component of the programme estimate.

3.5. Use of the contingency reserve and amendments to the programme estimate

3.5.1. Use of the contingency reserve

The budget estimate of the direct labour component of the programme estimate usually includes a contingency reserve.

The amount of this reserve may never exceed 10% of the total amount of the direct labour component of the programme estimate.

Use of the contingency reserve is subject to the following rules:

- Reallocation (internal adjustments) between items of the budget estimate of the programme estimate (see infra) is not or no more possible;

- The imprest administrator and the imprest accounting officer address a written request to the National (or Regional) Authorising Officer and to the Head of Delegation explaining why they need to use the contingency reserve. Their request must be supported by a detailed financial estimate of the amount needed;

- The prior written agreement of the National (or Regional) Authorising Officer and of the Head of Delegation.

Use of the contingency reserve does not entail an addendum.

3.5.2. Budget reallocations (internal adjustments)

Reallocations (internal adjustments) between items of the budget estimate of the programme estimate should not increase or decrease the total amount of the programme's direct labour component or affect the technical solutions initially selected.

The imprest administrator may take a commitment on a the basis of internal adjustement of the budget estimate only at following conditions :

- The initial technical solutions are maintained;

- The imprest administrator and the accounting officer address a written request to the National (or Regional) Authorising Officer and to the Head of Delegation explaining why they need to use the contingency reserve. The request must be supported by a detailed financial estimate of the amount needed;

- The prior written agreement of the National (or Regional) Authorising Officer;

- The Head of Delegation is notified without delay by the National (or Regional) Authorising Officer.

Under those conditions, reallocation procedure does not entail an addendum.

3.5.3. Amendments requiring addenda

If proposed amendments of the programme estimate involve:

- an increase (or decrease) in the total amount of the direct labour component of the programme estimate or,
- an extension of the period covered by it or,
- a revision, even partial, of the initial technical solutions (except in the case of use of the contingency reserve),

an addendum to the programme estimate has to be drawn up and approved.

The following should be taken into account when making amendments:

- Such changes must be authorised and the resulting addendum must go through the same approval circuit as the programme estimate itself.[40]
- If the total amount of the direct labour component of the programme estimate changes, this change has to be reflected in the direct labour commitment concerned, either by making an additional commitment (plus change) or a partial decommitment (minus change).

The implementation period of a programme estimate may not be extended for more than six months and may not intrude into the period covered by any subsequent programme estimate.[41]

[40] If the delegation is not devolved and the amount in question is over EUR 400 000, or raised to over EUR 400 000 by the amendment, the agreement of headquarters is needed.

[41] In which case it might be preferable to draw up an addendum to the next programme estimate to cover the activities which have to be extended or deferred and the additional amounts needed to carry them out.

4. Implementation of programme estimates

Implementation of a programme estimate may involve two types of expenditure:

- The expenditure of the direct labour component of the programme estimate, for which there is a direct labour commitment;

- The other expenditure provided for in the programme estimate, which is implemented by public contracts and/or the award of grants managed directly by the National (or Regional) Authorising Officer and/or the Head of Delegation under specific commitments.

4.1. Financial implementation of the direct labour component of the programme estimate

4.1.1. Payment of the initial allocation (advance)

Before the initial allocation (advance) is paid, the following conditions have to be met:

- Opening of "EDF imprest" bank account(s) and deposit of the necessary signatures.

- Submission of specimen signatures and of the duly completed form for the financial information sheet.

- The programme estimate is approved and signed by all parties, including endorsement by the Head of Delegation.

- **In the case of standard direct labour operations, financial responsibility in respect of the Commission for implementation of a programme estimate remains with the National (or Regional) Authorising Officer**, regardless of the powers and responsibilities delegated to the imprest administrator and the imprest accounting officer. Therefore it is not necessary to lodge a financial guarantee before payment of the advance.

- **In the case of externalised direct labour operations**, a financial guarantee in the same currency[42] and of an amount equal to that of

[42] If the third-party organisation finds it difficult to obtain a financial guarantee in national currency, a guarantee in euro may - by way of derogation and subject to the agreement of headquarters - be accepted under the following conditions:

- the amount of the guarantee must be determined by taking into account the possibility of a more unfavourable exchange rate between the national currency and the euro (i.e., the amount of the guarantee calculated in euro using the exchange rate in force on the day in questionmay be upped by 10%);
- the Head of Delegation must undertake to monitor the exchange rate regularly during implementation of the programme estimate and ask for an additional guarantee if the national currency countervalue of the guarantee in euro has fallen to less than the amount of the advance paid in national currency. Explicit provision for this must be made in the terms of the guarantee.

the advance requested **must be lodged by the third-party organisation implementing the programme estimate**; this also includes NGOs, private body, which implement the programme estimate[43]. Public or semi-public bodies may be covered by a financial guarantee provided by the ACP State concerned.

This guarantee must remain valid for 30 days after payment/reimbursement of the balance of the final statement of expenditure financed from the direct labour component of the programme estimate, duly approved by the National (or Regional) Authorising Officer and the Head of Delegation. The amount of the guarantee may be reduced at any time but under no circumstances may it be lower than the balance of the advance not yet cleared or repaid.

The expenses incurred in putting up the financial guarantee to obtain advances for implementation of the direct labour component of a programme estimate may be covered by that component.

A model of financial guarantee is provided in Annex 6 of this practical guide.

- the National (or Regional) Authorising Officer has received a **request for payment of the initial allocation (advance)** drawn up and signed by the imprest accounting officer and also signed by the imprest administrator.

The approval circuit of the request for payment of the initial allocation (advance) and the corresponding payment is as follows:

- Verification by the National (or Regional) Authorising Officer that the prior conditions for payment of the initial allocation are met and approval of the request.

- Drawing up and signature by the National (or Regional) Authorising Officer of a payment order corresponding to the amount of the advance accepted.

- Sending by the National (or Regional) Authorising Officer of the signed payment order and supporting documents to the Head of Delegation.

- Verification by the delegation of the payment order and supporting documents.

- In the case of a payment request **in national currency**, a payment order is signed by the Head of Delegation and then sent to the

[43] NGOs' exemption from having to lodge a bank guarantee for advances of less than EUR 1 million or 90% of the contract applies only to grant contracts.

National Paying Agent responsible for paying the advance to the "EDF imprest" bank account.

- In the case of a **payment request in foreign exchange handled by a devolved delegation**, a payment order is authorised by the Head of Delegation and executed by the EDF accounting officer. The advance is then transferred to the "EDF imprest" bank account from an account opened in the name of the Commission at a financial institution of an EU Member State.

- In the case of a **payment request in foreign exchange is handled by a non-devolved delegation**, a payment order is signed by the Head of Delegation and then sent to AIDCO/C8 for authorisation and execution by the EDF accounting officer. The advance is then transferred to the "EDF imprest" bank account from an account opened in the name of the Commission at a financial institution of an EU Member State.

4.1.2. Replenishment of the "EDF imprest" bank account(s)

Replenishment requests should be drawn up at least every three months. However, depending on the nature of the project and the requirements of sound financial management, it may be preferable to make them more often.[44]

For **replenishment** of each "EDF imprest" bank account, the imprest administrator and the imprest accounting officer must draw up and submit to the National (or Regional) Authorising Officer the following documents:

- The **replenishment request** as such, numbered and giving the desired amount and the references of the "EDF imprest" bank account in question.

- The statement or **record of expenditure** incurred in the period concerned, accompanied by the required supporting documents.

- The **statement justifying the initial allocation (advance)**.

- The statement or **record of own resources generated by the project and the use made of them** in the period concerned. This document must be drawn up on the same lines and submitted in the

[44] To avoid any cash-flow shortage, replenishment requests should be made at intervals that allow enough time for verification of the replenishment requests and the drawing-up and approval of the payment orders by the National (or Regional) Authorising Officer and the Head of Delegation, plus the actual banking transfers.

same way as the record of expenditure. All relevant supporting documents should be attached.[45]

- A detailed and verifiable **estimate of cash-flow requirements** until the next replenishment.

- Where relevant, and for information, the financial situation of the other contributions provided for in the programme estimate.

All these documents must be signed by the imprest administrator and the imprest accounting officer.[46]

Examples of documents to be included in files to support replenishment requests can be found in Annexes 7 and 8 of this practical guide.

The approvals circuit for replenishment requests and the corresponding payments is identical to that of payment requests for the initial allocation (advance) described in the section above.

To be deemed eligible, expenditure has to be incurred in carrying out activities provided for in the duly approved and signed programme estimate. Expenditure performance must also comply with the rules set out in this practical guide.

Reminder : expenditure paid and/or committed before the date on w hich t he p rogramme e stimate i s e ndorsed b y the H ead o f Delegation is not covered by the EDF.

4.1.3. Documents making up a record of expenditure

Each record of expenditure should include a cover page, budgetary monitoring documents, financial monitoring documents and the corresponding supporting documents.

All these documents and supporting documents should refer to the same period of expenditure to be substantiated and closed at the same date.

Examples of documents to be included in expenditure records can be found in Annex 8 of this practical guide.

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[45] See section 4.1.3. of this practical guide dealing with supporting documents.

[46] As must each payment file (see section t 4.1.3. of this practical guide).

➢ **Cover page**

The cover page must carry the following information:

- the title of the project or programme;
- the accounting number of the global financial commitment and of the corresponding individual financial commitment (assigned funds);
- the title or number of the programme estimate;
- the number of the record[47];
- the period covered by the record;
- the total amount of justified expenditure in the period covered by the record.

➢ **Budgetary monitoring documents**

The budgetary monitoring documents should make it easy to compare forecast expenditure against expenditure incurred in the course of implementation of the programme estimate.

They consist of:

- a summary table of the monitoring of the budget consumption of the the programme estimate;
- detailed tables of the monitoring of budget consumption by heading and by item;
- the analytical balance sheet.

➢ **Financial monitoring documents**

The financial monitoring documents consist of:

- for each currency used (national or foreign exchange): a **summary table plus detailed tables of expenditure** under the same headings as the budget of the programme estimate. The detailed tables must give, for each item of expenditure, the reference of the corresponding payment file, the date of payment and the nature and amount of expenditure.

[47] Records must be numbered in sequence.

- for each currency used (national or foreign exchange): a **reconciliation of the bank balance and the accounting balance of the "EDF imprest" bank account, plus justification of the corresponding cash balance.**

- a **list of ongoing contracts (procurement and grants)** signed by the imprest administrator and financed by the direct labour component of the programme estimate. This list must show, for each contract, the start-up date, the performance time-limit, details of the payments already made (amount and date) and an estimate of remaining payments.

- a **perpetual inventory of investments and capital goods** financed by the EDF.

➢ **Supporting documents**

Supporting documents should facilitate an exhaustive verification of the regularity and relevance of expenditure incurred.

The originals of supporting documents must be submitted; copies are not admissible.

They should include the following information at least:

- bank statements for the period covered;
- the bank ledger;
- the cash ledger;
- petty cash statement;
- the contracts signed by the imprest administrator;
- the payment files.[48]

  Payment files should be physically organised so as to mirror the order of the summary table of expenditure for the period concerned. Each payment file has to be signed by the imprest administrator and by the imprest accounting officer and should make it possible to check that:

  - expenditure was committed validly;
  - expenditure was validated, paid and discharged correctly.

[48] The supporting documents for the record of own resources generated by the project and of their use should therefore include revenue as well as payment files.

Validation of expenditure is the act whereby the authorising officer responsible:

- verifies the existence of the creditor's entitlement;
- determines or verifies the reality and the amount of the claim;
- verifies the conditions in which payment is due.

A list of supporting documents, grouped by type of expenditure, to be included in the payment files can be found in Annex 9 of this practical guide.

4.1.4. Reimbursement - clearing advances

The amount of the replenishment of the "EDF imprest" bank account may not be more than the amount of duly justified and accepted expenditure. It may, however, be less with a view to partially or totally clearing the initial allocation (advance).

The initial allocation (advance) must therefore be cleared as soon as the cash flow situation allows, and at the latest by means of the closure request.

It is the responsibility of the Head of Delegation to make sure that advances paid under programme estimates are scrupulously monitored. He or she should therefore check the frequency of requests for replenishment and closure, including the provision of all necessary supporting documents, and serve notice on the imprest administrator and the imprest accounting officer and on the National (or Regional) Authorising Officer if the time-limits laid down in the programme estimate are not met. It goes without saying that no further transfers of funds to the "EDF imprest" bank account can be authorised by the Head of Delegation in such cases.

4.1.5. Closure of a programme estimate

➢ **Closure request**

The closure request, including the final statement of expenditure of the direct labour component of the programme estimate, must be submitted to the National (or Regional) Authorising Officer and the Head of Delegation for approval not later than three months after the end of the period covered by the programme estimate in question.[49]

[49] For the last programme estimate implementing the relevant financing agreement, at least 3 months after the start-up of the closure period (see section 3.3.4. of this practical guide).

Programme estimates must be closed not later than six months after the end of the period they cover.[49]

The procedure for drawing up, submitting and approving closure requests is the same as for replenishment requests. But the replenishment request is replaced by a similar document entitled "request for closure", which gives the final balance to be refunded or, where appropriate, recovered. At this point a detailed estimate of cash requirements is no longer necessary.

Having verified the closure request, the National (or Regional) Authorising Officer will have to compare the accepted amount of total expenditure incurred during implementation of the direct labour component of the programme estimate with the total amount of funds deposited on the "EDF imprest" bank account in order to:

- **Completely clear the initial allocation (advance);**
- In principle, a recovery order (RO) for the repayment of the non-justified balance of the initial allocation (advance) should be issued or, exceptionally, a payment order (PO) to refund the final balance on the "EDF imprest" bank account.

On issuing a recovery order, the National (or Regional) Authorising Officer must make sure that the sums due are indeed reimbursed.

The unused balance of the advance must to be refunded to the EDF[50]. Transfers of remaining advances to the following programme estimate are no longer permitted.

The amounts corresponding to non-accepted or non-justified expenditure must be refunded without delay by the imprest administrator and the imprest accounting officer or, where applicable, by the third-party organisation. If they fail to do so, and if a financial guarantee was not obtained before payment of the initial allocation, the National (or Regional) Authorising Officer will become responsible for the debt and the amounts due will have to be refunded to the EDF by the ACP State concerned.

[50] To the National Paying Agent's account if the amount is in national currency and to the Commission's account in Brussels if the amount is in euro or other foreign exchange. The costs incurred in making the transfer are eligible for the EDF.

At the end of the project any unused own resources must be paid to the EDF before closure of the last programme estimate.

- **Balance of the "EDF imprest" bank account = 0**

  Following execution of the recovery or, where appropriate, payment order, the balance of the "EDF imprest" bank account will be zero, which will allow:

  - its closure;
  - the closure of the direct labour component of the programme estimate;
  - the accounting and financial closure of the corresponding direct labour commitment

  To this end, the imprest administrator and the imprest accounting officer have to provide the National (or Regional) Authorising Officer with the bank statement showing the balance of the "EDF imprest" bank account at zero and the closure notice of that bank account. These documents must then be transmitted to the Head of Delegation so that he/she can proceed to the closure of the corresponding direct labour commitment.

In the event of failure to reimburse non-accepted or non-justified expenditure, failure to reimburse the unused balance of advances or failure to close the programme estimate at the latest six months after the end of the period covered (N) by that programme, the Head of Delegation has the obligation to withhold approval of the next programme estimate (N+2) until the accounts are in order.

In the case of direct labour operations where claims that the EDF has on the National (or Regional) Authorising Officer are not recovered within the time-limit, the Head of Delegation must take all necessary measures to obtain actual repayment of the amounts due, including, if necessary, suspension of the use of direct labour operations with the ACP State or States concerned.[51]

[51] See Article 46(4) of the 9th EDF Financial Regulation. This power has been subdelegated to the AIDCO/C Director and to the Heads of devolved delegation.

4.1.6. Records and accounts

The records and accounts must cover all activities financed by all sources of financing, including the own resources generated by the project itself. They must ensure compliance with generally accepted accounting principles and be kept in accordance with the rules of the ACP State concerned.

The rules on the currency in which the accounts are kept are set out in Annex 5 of this practical guide.

With this in mind, a general system of double-entry, budgetary and analytical accounts linking expenditure to each source of financing and with each activity carried out under the direct labour component of the programme estimate should be set up for the purposes of financial management of the project. This system should also make it possible to keep a perpetual inventory of investments and capital goods financed by the project.

The accounts of externalised direct labour operations must be computerised, and is highly desirable in the case of direct labour operations. It is up to the National (or Regional) Authorising Officer and the Head of Delegation to check that the accounting software package chosen by those responsible for implementation of the project is suitable and can produce the statements of account and bookkeeping documents needed to perform the required controls.

In parallel, both the National (and Regional) Authorising Officer and the Commission should each keep detailed accounts and records of the financial transactions of each direct labour commitment covering the direct labour component of each programme estimate implementing the project.

4.1.7. Audits

Provision must be made for audits, specifying their type and frequency, in the preparatory phase of any project.

Audits must be carried out by an approved auditor who is a member of an internationally r ecognised a uditing c ertification a ssociation[52]. The auditor will be in charge of the verification of the accounts and certification that the expenditure by the direct labour component of the programme estimate was committed, validated and paid in accordance with the work programme, the budget estimate and the technical and administrative implementing arrangements for the programme estimate and is compliant with the procedures for awarding EDF contracts and grants, the rules and procedures set out in this practical guide and with generally accepted accountancy principles.

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[52] Where this is not possible, by an appropriately trained auditor.

The frequency of audits will vary according to the amount of the direct labour component of a programme estimate. It might be yearly or half-yearly or linked to the submission of a each new replenishment request or a closure request.

When total expenditure incurred by the direct labour component of a programme estimate is EUR 200 000 or more, the expenditure must always be financially audited before the submission of a closure request.

In the case of important or particularly complex projects from the financial management point of view, or projects where there is a risk of non-substantiated expenditure, it is recommended that an audit of the systems and procedures set up by the imprest administrator and the imprest accounting officer be carried out in the start-up phase or at the beginning of the operational phase of the project.

For obvious reasons of auditor independence, contracts for audits, especially those on the implementation and management of the direct-labour component of programme estimates, should always be financed by specific commitments. Furthermore, in accordance with general regulations for EDF contracts, these contracts are concluded and managed by the Commission for and on behalf of the ACP State or States concerned.[53]

4.1.8. Conservation of supporting documents

All bookkeeping documents relating to the implementation of a global financial commitment should be kept for five years from the date of the decision on discharge[54] of the financial implementation of EDF resources in the financial year in which the commitment was closed[55]. Year N is usually discharged at the end of the N+2 year.

Consequently, once a project or programme is completed, all supporting documents of a financial and contractual nature have to be kept for at least seven years after the closure of the corresponding global financial commitment.

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53 See part II, point 9 of the General Regulations.

54 NB. the European Parliament, acting on a Council of the European Union recommendation, gives each year discharge to the European Commission in respect of the financial implementation of the EDF resources.

55 See Article 110(5) of the 9th EDF Financial Regulation.

In order to guarantee conservation and actual availability or the supporting documents when needed, their archiving as well as their conservation must be organized by the Head of Delegation under his responsibility.

4.1.9. Staff management

The rules for managing the various categories of staff are set out in the technical and administrative implementing arrangements for the programme estimate. They must include, or refer to, procedures for making available or recruiting staff, national legislation on the subject, the type of contract used and related social entitlements (social security, insurance, etc).

The recruitment procedures and elements of the remuneration package of management staff have to be approved by the National (or Regional) Authorising Officer and the Head of Delegation.[56]

Terms of reference should be established for the recruitment of contractual staff. A standard contract is concluded between the imprest administrator and each staff member on contract. These contracts are usually for a fixed term coinciding with the duration of the programme estimate.

A standard contract, a staff list, pay scales, rates for additional allowances and rates for daily allowances paid for missions should be annexed to the programme estimate.

Staff management is the responsibility of the imprest administrator and the imprest accounting officer, whose functions include:

- drawing up each year a list of staff by function and by name, indicating their pay and related contributions borne by the direct labour component of the programme estimates;
- keeping an up-to-date staff register;
- keeping a payroll with monthly tables showing details of expenditure on staff;
- drawing up each year, by category of staff, the rates of daily allowances for missions.

Any proposed change in staffing should be mentioned in the programme estimate. Any unforeseen change during implementation of the programme estimate requires the prior written authorisation of the

[56] When they approve the first operational programme estimate.

National (or Regional) Authorising Officer, who then immediately notifies the Head of Delegation.

4.1.10. Transfer of materials and equipment at the end of the project

The materials and equipment financed by the EDF over successive programme estimates remain the property of the project throughout its implementation. They must be used exclusively for carrying out activities provided for in the programme estimates.

At the end of the project materials and equipment are normally handed over to the administration of the ACP State or States concerned during closure of the last programme estimate. The National (or Regional) Authorising Officer may, in agreement with the Head of Delegation, decide to assign them to other projects or programmes financed by the EDF.

They may exceptionally be sold to outside economic operators with the approval of the National (or Regional) Authorising Officer and the Head of Delegation. The income generated by these sales must be entered in the accounts as the project's own resources.

4.2. Public procurement and award of grants provided for in the programme estimate

4.2.1. Public procurement

The procedures for procurement under both the direct labour component of programme estimates (direct labour commitment) and specific commitments must comply with the General Regulations applicable to works, supply and service contracts financed by the EDF and the practical guide to contract procedures financed from the 9th EDF.[57]

However, in the case of public procurement financed by the direct labour components of programme estimates of a single project or programme or all direct labour projects or programmes implemented in the ACP State concerned, the National (or Regional) Authorising Officer, in agreement with the Head of Delegation, may decide to lower the award thresholds stipulated in the general regulations in the interests of sound financial management.

[57] See Article 80(5) of the 9th EDF Financial Regulation.

For instance, the EUR 5 000 threshold below which public contracts financed by the direct labour component of programme estimates may be awarded on the basis of a single tender, could be lowered.

This decision must be reflected in the special conditions of the financing agreement and in the technical and administrative implementing arrangements for the corresponding programme estimates.

Service contracts worth EUR 200 000 or more, supply contracts worth EUR 150 000 or more and works contracts worth EUR 300 000 or more have to be financed with specific commitments and managed directly by the National (or Regional) Authorising Officer.

Service contracts concluded through the framework-contract, audit and evaluation contracts will also have to be financed with specific commitments as they are concluded and managed by the Commission for and on behalf of the ACP State or States concerned.[58]

All other contracts can be financed by the direct labour component of the programme estimates. However, in the case of a single project or programme or for all projects or programmes implemented through direct labour operations in the ACP State concerned, the National (or Regional) Authorising Officer, in agreement with the Head of Delegation, may decide to lower the thresholds above which the contracts have to be financed with specific commitments and managed directly by the National (or Regional) Authorising Officer. This decision must be reflected in the technical and administrative implementing arrangements of the corresponding programme estimates.

Where the signing of contracts is delegated to the imprest administrator, the National (or Regional) Authorising Officer can decide whether to approve all proposals for award of contracts financed by the direct labour component of programme estimates, some of them on the basis of thresholds, or none. The role of the National (or Regional) Authorising Officer in these situations must therefore be specified, if possible in the TAP annexed to the financing agreement, but without fail in the technical and administrative implementing arrangements for the corresponding programme estimates. The same applies to other powers of the National (or Regional) Authorising Officer in precontractual matters.

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58 See part II, point 9 of the General Regulations.

In the case of contracts financed by the direct labour component of programme estimates, the Head of Delegation has to decide on the basis of risk analysis he conducted if he wants to approuve the tender dossiers before the procedure starts.

Proposals for the award of contracts financed by the direct labour component of the programme estimates have to be approved by the Head of Delegation.[59]

The Head of Delegation's approval is not required for contracts worth up to EUR 5 000 (or other reduced threshold as described earlier) which may be concluded with a single tender. In that case, there will be an ex-post control only at the moment of the analysis of the reimbursement and closure requests.

The ex-post control should concern in particular :

- **relevance of the contract**
- **non-splitting of the contract in order to bypass the procurement threshholds**
- **where needed, compliance with the rule on nationality**
- **existence of a potential conflict of interests**
- **reasonableness of the contract amount**

The role of the Head of Delegation in the approval of the tender dossiers before procedure start-up on the one-hand and approval of the proposals of the award of contracts on the other hand, must be specified in the technical and administrative implementation arrangements of the relevant programme estimates.

Contracts financed by the direct labour component of programme estimates are signed by the imprest administrator for and on behalf of the National (or Regional) Authorising Officer and by the contractors. They do not necessarily require the endorsement of the Head of Delegation.

Summary tables are given in Annexes 11 and 12 of this practical guide.

4.2.2. Award of grants

The procedures for awarding grants under programme estimates, whether financed by the direct labour component of programme estimates (direct labour commitment) or specific commitments, must comply with Title VI of the Financial Regulation applicable to the 9th

[59] See Article 80(5) of the 9th EDF Financial Regulation.

EDF and and the practical guide to contract procedures financed from the 9th EDF. The model contract that must be used for grants financed by both direct labour component of programme estimates and specific commitments can also be found in the practical guide to contract procedures financed from the 9th EDF.

Grants over EUR 100 000 have to be financed with specific commitments and managed directly by the National (or Regional) Authorising Officer.

However, in the case of a single project or programme or for all projects or programmes implemented through direct labour operations in the ACP State concerned, the National (or Regional) Authorising Officer, in agreement with the Head of Delegation, can decide to lower the threshold above which the grants have to be financed by specific commitments managed directly by the National (or Regional) Authorising Officer.. This decision must be reflected in the technical and administrative implementing arrangements for the corresponding programme estimates.

Where the signing of contracts is delegated to the imprest administrator, the National (or Regional) Authorising Officer may decide to approve all proposals for award of contracts financed by the direct labour component of programme estimates, some of them on the basis of thresholds, or none. The role of the National (or Regional) Authorising Officer in these situations must therefore be specified, if possible in the TAP annexed to the financing agreement, but without fail in the technical and administrative implementing arrangements for the corresponding programme estimates. The same applies to other powers of the National (or Regional) Authorising Officer in precontractual matters.

The role of the Head of Delegation is the same throughout the grant-award procedure, whether for grants financed by the direct labour component of programme estimates or those financed with specific commitments. In particular, the text of calls for proposals and proposals for the award of grants financed by the direct labour component of the programme estimates have to be approved by the Head of Delegation.[60]

Contracts financed by the direct labour component of programme estimates are signed by the imprest administrator for and on behalf of the National (or Regional) Authorising Officer and by the contractors. They do not require the endorsement of the Head of Delegation.

Summary tables are given in Annexes 11 and 12 of this practical guide.

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60 See Article 80(5) of the 9th EDF Financial Regulation.

4.2.3. End of the time-limit for performing contracts

The performance of contracts to implement financing agreements, whether financed by direct labour components of programme estimates or by specific commitments, excluding contracts for audits and final evaluations and technical assistance contracts implying financial closure activities of the corresponding projects or programmes, may under no circumstances be prolonged beyond the end of the operational implementation phase of the corresponding financing agreements.

4.3. Implementation reports

During implementation of a programme estimate, the imprest administrator and the imprest accounting officer must draw up and submit at least one brief interim implementation report and a comprehensive final implementation report.

These technical, financial and monitoring reports should provide as a minimum:

- A summary report on the activities carried out, problems encountered and solutions found; the activities carried out should be related to the provisional timetable and explanations given for any delays.

- A financial situation, including a summary of expenditure incurred over the period in question and the remaining balance for each item of the budget; expenditure incurred should be correlated to the financing plan.

- Monitoring of planned activities: this includes comparing the results obtained against the objectives, using the monitoring indicators set out in the logical framework.

The final implementation report has to be submitted at the latest 30 days after the end of the period covered by the corresponding programme estimate.[61]

Reports are to be sent to the technical ministry concerned, the National (or Regional) Authorising Officer and the Head of Delegation and, where one has been set up, to the steering committee.

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[61] For the last programme estimate implementing the relevant financing agreement, at least 30 days after the start-up of the closure period (see section 3.3.4. of this practical guide).

Annex 2 Logical Framework for Two years (Nov 2004-Oct 2006) Extension Programme for PACE Tanzania

rative summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
ctive: Combating poverty amongst e involved in the livestock farming or by improving productivity, trade ood security	Poverty Indicators amongst livestock farmers in Tanzania decline by 5 % by April 2008.	House Hold Budget Survey by National Bureau of Statistics	
ose Strengthening the capacity to ss the technical and economic cts of animal diseases and rate appropriate programmes for control. guarding of animal health in the try against major epizootics.	New disease outbreaks detected and confirmed within 10 days of first reporting and control measures significantly reduce prevalence rates starting 2004 Abattoir Prevalence rate of CBPP reduced from 5 % in 2004 to less than 1% by October 2006	Outbreak Reports to DVS Reports of the veterinary services Abattoir surveillance reports.	
lts Rinderpest is verifiably eradicated Tanzania and Epizootic disease ol programmes improved	Tanzania is certified by OIE as Rinderpest disease free country by June 2005 CBPP prevalence rates in three selected Regions reduced by 30% by October 2006 Animal health Service outlets in rural areas of three selected regions double by October 2006	Official OIE certificate Epidemiology Unit Report Survey Reports	Southern part of Kenya remains free from the Disease Current levels of Budget allocation to Veterinary Services sustained and reach on average 0.05 Euro/Tropical Livestock Unit/Annum
The National Epidemio-illance System is Strengthened	At least 80% of the Districts with > 50 thousand cattle submit 100 surveillance reports and four quarterly reports per district to DVS per year starting October 2004 DVS timely meets National, regional and international Reporting obligations starting January 2005	Epidemiology Unit Reports AU-IBAR and OIE reports	Technical Chain of command from DVS through DVOs to Field staff is improved. OIE Annual Animal Disease reporting format availed in time

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PROGRAMME ACTIVITIES

N	Activity	Means	Costs of Yr 1	Costs of Yr 2
.0	RINDERPEST ERADICATION AND CONTROL OF OTHER EPIZOOTIC DISEASES			
.1	Undertake RP surveillance in Wildlife	Personnel, helicopter (to be hired), immobilisers surveillance equipment and consumables, RP test kits and lab consumables	31,277	30,027
.2	Undertake RP Surveillance in Domestic Animals	Personnel, transport, sampling equipment and consumables, RP test kits	85,467	84,217
.3	Update RP emergency preparedness	Personnel, transport, workshop costs, seed money for emergency account	35,467	34,217
.4	Train field Staff on RP detection	Teaching Materials, Facilitators, participants' DSA, hall, Consumables	16,967	15,717
.5	Conduct Livestock movement monitoring	Field staff, marking equipment, transport	33,467	14,217
.6	Conduct Participatory RP search in Northern Tanzania	Communication Materials, Facilitators DSA, Consumables	17,467	14,217
.7	Support implementation of vaccination routines	Supervision, CBPP Vaccines and equipment	11,076	5,385
.8	CBPP procurement plan	Technical Assistance	6,836	1,391
.9	Priority Epizootics Control strategies review	Expertise, meting venue, Facilitation materials	13,836	1,391
10	CBPP Regional meeting	Ticket, DSA	12,336	8,891
11	Emergency response to priority epizootics.	Personnel, sample collection equipment, Lab confirmation costs	12,836	9,391
12	Develop ASF control programme	Expertise, travel, meeting venue, Facilitation materials	5,236	1,791
13	Conduct tests on submitted CBPP Specimens	Fees, diagnostic reagents and kits	10,836	7,391
14	Conduct training on socio-economic impact assessment of animal diseases	Transport, DSA, stationery	14,836	11,391

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SN	Activity	Means	Costs of Yr 1	Costs of Yr 2
.15	Socio-economic impact study on CBPP & FMD	Transport, DSA, stationery,	17,836	14,391
.16	Organize Workshops for AHS providers	Facilitation Materials, Facilitators, participants, hall, Consumables	31,036	31,036
.17	Organize Workshops on law enforcement	Facilitation Materials, Facilitators, participants, hall, Consumables	5,036	5,036
.18	Support Animal Health Service Providers Conferences	Stationery, travel, DSA	15,036	15,036
.19	Facilitate Coordination of Animal Health Service providers	Transport, Communication, meetings	13,036	1,036
.20	Training of PVP in Mngnt Course)-SUA	Trainers, trainees, venue (SUA), transport	7,036	7,036
.21	Support on privatisation issues	Each	20,536	20,536
.22	TVB support in redefining DVS roles	Facilitation Materials, Facilitators, participants, hall, Consumables	10,036	1,036
.23	Sanitary Mandate study	Consultancy service	6,036	6,036
.24	Supervision & monitoring	Transport, DSA	4,396	4,396
	Sub total		112,180	91,180
2.0	**STRENGTHENING SURVEILLANCE TO SUPPORT POLICY FORMULATION FOR THE CONTROL OF MAJOR EPIZOOTICS**			
2.1	Train field staff on active disease surveillance	Teaching Materials, Facilitators, participants' DSA, hall, Consumables	19,045	18,295
2.2	Make Performance assessment of Epidemio-surveillance Network	Man days	11,445	10,695
2.3	Train DVS staff on computer networking	Computer Software, Facilitators, participants' DSA, hall, Consumables	17,045	16,295
2.4	Train VIC and district staff on ARIS	Computer Software, Facilitator from PCU, participants' DSA, hall, Consumables	24,045	23,295

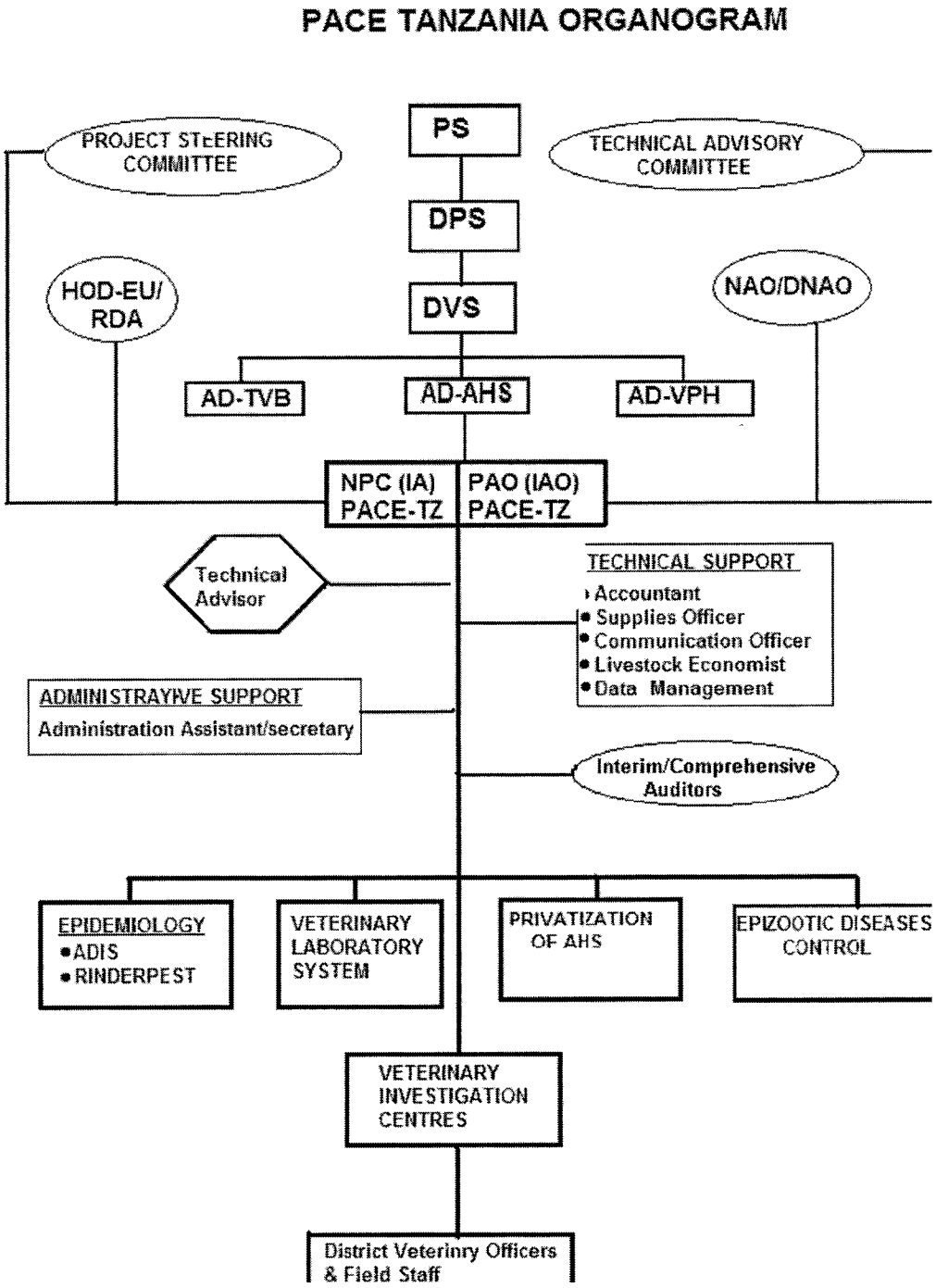
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N	Activity	Means	Costs of Yr 1	Costs of Yr 2
.5	Support for restart of Diploma course for laboratory technicians		18,045	17,295
.6	Attend Regional/cross border meetings	Transport, DSA, Hall	21,045	20,295
.7	Facilitate DVS & NPC to attend OIE meetings	Air ticket, DSA,	13,045	12,295
.8	Supervise Disease reporting country wide	Staff DSA, Transport, Digital cameras	15,765	15,015
.9	Provide support for NVLS	Training, Laboratory equipment and consumables	79,376	77,124
10	Attend Regional workshops organized by PCU	Ticket, DSA	13,545	12,795
11	Mini Lab operations for communication officer	Stationery	9,905	9,155
12	Sensitise public on disease reporting	Promotion Materials & Radio program	31,045	30,295
13	Publish and circulate Animal Health Newsletter	Quality articles, stationery, expertise	25,045	24,295
14	Programme Monitoring & Evaluation	Transport, DSA, stationery	17,684	14,684
15	Post graduate studies	Ticket fees and stipend	40,000	-
16	Steering Committee Meetings.	meeting expenses	20,084	17,084
17	Technical Advisory Committee Meetings	meeting expenses	-	-
18	Auditing	Audit fees, ticket	23,584	20,584
19	Internal meetings	ticket, fees, allowances	25,684	22,684
20	Ministerial Cross border harmonization meeting	Transport, DSA	36,084	13,084
21	Training on Network & network administration	Transport, DSA	22,084	19,084

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SN	Activity	Means	Costs of Yr 1	Costs of Yr 2
2.22	Training in Vet. Epidemiology and Economics	Transport, DSA	26,084	13,084
2.22	Annual workshop (Veterinary & Livestock Officers)	Internal Travel	34,084	31,084
2.23	Regional/cross border meetings	Lump sum	33,584	30,584
2.24	Programme coordination	Man month	21,684	18,684
2.25	Collaboration with wildlife sector		27,084	24,084
	Subtotal		327,720	224,720
	TOTAL FOR PROGRAMME		1,064,068	857,066
	CONTINGENCIES		53,203	42,853
	GRAND TOTAL		1,117,271	899,919

Annex 3 PACE Tanzania Organizational Chart



Annex 4 Detailed Time Table for PACE-Tanzania Programme Implementation

ctivity Code	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
)	**RINDERPEST ERADICATION AND CONTROL OF OTHER EPIZOOTICS**									
	Undertake Rinderpest Wildlife Surveillance									
.1	Obtain darting permit from Director of Wildlife Jan 2005	EPID 2								
.2	Sign an agreement with TAWI/TANAPA to carry out sample collection and report on clinical searches Feb. 2005	EPID 2								
.3	Facilitate TAWIRI/TANAPA by sending funds via bank transfer for the 2004 Wildlife surveillance March 2005	EPID 2								
.4	Invite wildlife expert and undertake monitoring mission on the exercise April 2005	EPID 2								
.5	Facilitate CVL/ADRI test the samples and send samples to Muguga Kenya Aug.2005	EPID 2								
.6	Strengthen collaboration arrangement with Wildlife Services									
.7	Review MOU with Director of Wildlife Service Jan 2005	EPID 2								
.8	Hold one joint meeting before launching wildlife surveillance to discuss previous work and MOU Feb. 2005	EPID 2								
.9	Engage private hunters in sending serum and tissue samples from their hunting	EPID 2								
.10	Hold one meeting with chief game warden to sensitise them on disease surveillance.	EPID 2								

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tivity ode	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
2	Undertake RP sero and clinical surveillance in domestic animals	EPID 2								
2.1	Review /define the RP surveillance strategy for 2005 & 2006	EPID 2								
2.2	Procure surveillance equipment as per strategy									
2.3	Procure RP test Kits (cELISA/Indirect ELISA/Pen side Kit)									
2.4	Sensitise livestock keeping communities in high risk areas on Rinderpest surveillance	**PCO**								
2.5	Facilitate VICs carry out sero-surveillance									
2.6	Facilitate 10 DVOs along the Kenyan border undertake clinical search for RP (search team of 2)	**EPID 2**								
2.7	Facilitate CVL test submitted sera samples from VICs)									
2.8	Analyse test results and provide feed back to DVS and livestock farmers.	**NVLSO**								
2.9	Submit samples from positive sera to regional/world reference laboratory	**NVLSO**								
3	Update the 2003 Rinderpest Emergency Preparedness Plan									
3.1	Revise the Nov 2003 approved RP Emergency Preparedness Plan	EPID 2								
3.2	Constitute and commission relevant committees and taskforces in the RP EPP	EPID 2								
3.3	Ensure Emergency Fund or Livestock development fund is established and functional	NPC								
3.4	Sensitise through holding 2 workshops one to Veterinary Senior staff and the other to policy decision makers (LGA	EPID 2								

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ivity ode	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
	& GOT) on emergency preparedness									
4	Undertake animal movement monitoring	Zoosanitary								
4.1	Sensitise livestock keepers and other stake holders on livestock movement control and animal diseases control	CBPPC								
5	Refresher training of PDS teams in 10 districts along the Kenyan border	EPID 2								
6	Undertake PDS for Rinderpest and other epizootics in North-eastern Tanzania									
.6.1	Facilitate Epidemiologist 2 conduct and supervise PDS exercise in 10 selected districts	NPC								
.6.2	Collate and disseminate PDS exercise results									
.7.	Improve CBPP and other major epizootics vaccination procedures by adopting better vaccination routines	CBPPC								
.7.1	Support the establishment and improvement of differential diagnostic capacity for major epizootics -CBPP, FMD, ASF and MCF at CVL/NVL.	NVLSO								
1.7.2	Improve the cold chain for vaccine handling and use, by purchasing proper containers.	CBPPC								
1.7.3	Train field staff in intensive vaccination areas on cold chain monitoring	CBPPC								
1.7.4	Follow up FMD outbreaks, type and map FMDV types prevailing/circulating in the country.	EPID 1								
1.8	Prepare and adopting vaccine procurement plan to improve timely delivery of CBPP vaccine	CBPPC								
1.9	Develop Disease Control Policies based on available tools, risk analysis and Epidemio- surveillance results (establish role of wildlife & vector ticks)	EPID 1								

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ivity ode	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
10	Support public awareness campaigns in animal disease surveillance and control programmes through mass media (print, audio and visual)	PCO								
11	Promote private veterinary practice growth in pastoral areas									
11.1	Inventories private veterinary practice deployment in pastoral areas	PPO								
11.2	Support short time training of 10 upcoming private veterinary practitioners in business skills at FVM/SUA	PPO								
11.3	Support the Private Veterinary Chapter under TVA consolidate its forum through providing for office rent, sponsoring its executives to sensitisation local missions	PPO								
11.	Conduct pilot study on sanitary mandating compulsory Rabies and Brucellosis vaccination of dogs and yearling cattle in two selected districts.	PPO								
12	Finalize the preparation of Regulations for enforcement of the Veterinary Act 2003									
12.1	Derive new regulations governing Animal Health Service Delivery systems and follow up their proclamation process	PPO								
12.2	Support credible NGOs in the training and deployment of CAHWs in pastoral areas.	PPO								
12.3	Support the TVA/TSAP in the promotion of professional development	PPO								
12.4	Support the TVC in its mandate of regulation, registration, enrolment and inspection of veterinary practice facilities and service providers	PPO								
	STRENGHENING SURVEILLANCE TO SUPPORT POLICY FORMULATION									
	Improve Quality and Frequency of Disease Reporting, Analysis and feedback mechanisms									

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ctivity Code	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
I.1	Carry internal assessment of the performance of the ESS using PEU developed performance indicators	EPID 1								
I.2	Support Epidemiologist and NPC attend PACE Regional Meeting of Epidemiologists.	NPC								
.3	Train 2 staffs in Modern Advances of Veterinary Epidemiology and Economics at Lilongwe Malawi	NPC								
.4	Generate monthly report from ARIS database and transmit to AU-IBAR, FAO, OIE, and SADC	EPID 1								
.5	Generate and transmit annual report to the OIE before march each year for inclusion of the country report in the OIE Year book	EPID 2								
.6	Facilitate DVS and one Senior Veterinarian attend the OIE Annual General Session	NPC								
.7	With PSU Economic Unit sensitise 20 key policy and financial resources decision makers on increasing and maintaining funding level to Animal Disease Surveillance & Control	PLE								
.8	Perform CBPP and FMD desk top socio-economic impact study using model developed and coached by the PSU EcoUnit	PLE								
	Integrate and facilitate agents in the LGA` system and the private sector in disease surveillance activities									
.1	Hold 4 workshops involving DVOs, District Livestock Information Officers, VICs officer in charges and private veterinarians to sensitise them on disease reporting	EPID 1								
.2	Provide operation & maintenance costs to motorbikes of 20 District Surveillance Officers	EPID 1								
.3	Produce and distribute disease reporting forms to 120	EPID 1								

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tivity ode	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
	districts									
4	Promote disease reporting among livestock keeping communities through the use of CAHWs	EPID 1								
	Implement the Animal Resources Information System (ARIS)									
1	Improve information communication by training staff on computer networking	EPID 1								
2	Deploy a more robust database programme at VICs	EPID 1								
3	Install WAN and VSAT Link at Epid. Unit to wirelessly link all VICs.	EPID 1								
4	Install ARIS to 20 percent of districts with compatible computers and reliable telephone link for email data transfer	EPID 1								
5	Produce CD-ROMs on major Epizootics fact web based sheets with AVIS									
6	Sensitise Senior Livestock Experts at MWLD and collaborating institutes on ARIS	EPID 1								
	Support the Livestock Training Department restart diploma level training and retraining of veterinary laboratory technicians at CVL/ADRI Temeke									
.1	Carry inventory of Veterinary laboratory technicians in the country and needs analysis	NVLSO								
.2	Inventories training facilities and capacity for the Lab Tech. Course	NVLSO								
.3	Support the launching of VLT first two courses									
	Support the on-going improvement of diagnostic capacity of the NVLS (National Veterinary Laboratory System)									
.1	Train one veterinary researcher and lab. Technician in FMD at Ondesterport RSA	NVLSO								

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ctivity Code	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
.2	Provide Lab consumables and limited operation funds to CVL and VICs complimenting GOT	NVLSO								
.3	Support CVL in setting up PCR	NVLSO								
.4	Provide basic stains, slides and sample collection gear to 20 Veterinary Centres that shall be leased to private veterinarians.	NVLSO								
.5	Procure reagents for and launch immuno-histochemistry test procedure at ADRI/CVL	NVLSO								
.6	Review and reprint sample collection and submission guidelines of CVL Temeke.	NVLSO								
	Ensure the regular publication and circulation of the Animal Health Newsletter									
.1	Write letters to solicit articles from would be authors detailing theme of the coming issue two month before its coming out	PCO								
.2	Follow up and Facilitate the Editorial Board to review ar appraise submitted articles for their inclusion or exclusion	PCO								
.3	Follow up and facilitate the Communication Officer sets up t lay out and selection of pictures for the issue	NPC								
.4	Print and circulate the newsletter timely and regularly.	PCO								
.5	Develop and implement incentive scheme for would t authors to keep the newsletter well fed with articles.	NPC								
	Provide Effective & Efficient Surveillance Management									
.1	Office Running costs	PAA								
.2	Telephone and telecommunication	PAA								

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

tivity ode	Activity	Responsible Officer	Year I (2004-2005)				Year 2 (2005-2006)			
			Nov-Jan	Feb-April	May-July	Aug-Oct	Nov-Jan	Feb-April	May-July	Aug-Oct
3	Vehicle Operational Costs	PTO								
4	Vehicle maintenance costs	PTO								
5	Minor Civil woks	PSO								
6	Internal travelling	NPC								
7	Project Steering Committee (PSC) Meetings	NPC								
8	Auditing	PAO								
9	Regional Meetings	NPC								
10	Performance Management Scheme	NPC								

Annex 5. Detailed Budget Estimate in TZS x 1000 (TZS 1,380 = 1 EURO, July .2004)

Budget Heading	Activities and Other Costs	UNIT	QUANTITIES YR 1	QUANTITIES YR 2	UNIT COST	YEAR 1 OF EXTENTION GOT	YEAR 1 OF EXTENTION EDF Fund	YEAR 2 OF EXTENSION GOT	YEAR 2 OF EXTENSION EDF Fund	Total
.0.	RINDERPEST ERADICATION AND CONTROL OF OTHER EPIZOOTICS									
	Activities									
.1	RP surveillance in Wildlife	Each	1	1	15,810	-	15,810	-	15,810	31,620
.2	RP Surveillance in Domestic Animals	Each	7	7	10,000	42,000	28,000	42,000	28,000	140,000
.3	RP emergency preparedness	Each	1	1	20,000	4,000	16,000	4,000	16,000	40,000
.4	L'stok movement monitoring	Each	1	1	1,500	-	1,500	1,500	-	3,000
.5	Staff training on RP detection	Lot	1	-	18,000	-	18,000	-	-	18,000
.6	Participatory RP search	Each	1	-	2,000	400	1,600	-	-	2,000
.7	Support implementation of vaccn routir	Each	2	2	6000	2,400	3,840	1,536	2,458	10,234
.8	CBPP procurement plan	Each	1	0	2,000	2,000	-	-		2,000
.9	Policies on Priority Epizootics Control	Each	3		3,000	9,000	-	-		9,000
.10	Regional meetings (CBPP and M&E)	Each	3	3	2500	3,000	4,500	3,000	4,500	15,000
.11	Emergency response to epizootics.	Lot	4	4	2000	2,000	6,000	2,000	6,000	16,000
.12	Develop ASF control programme	Each	1	1	400	80	320	80	320	800
.13	CBPP Specimen testing fees	Lots	4	4	1500	-	6,000	-	6,000	12,000
.14	SEI Assessment Training	Each	1	1	10,000	10,000	-	10,000		20,000
.15	SEI impact study on CBPP & FMD	Each	1	1	13000	2,600	10,400	2,600	10,400	26,000
.16	Workshops for AHS providers	Each	2	2	15000	12,000	18,000	12,000	18,000	60,000
.17	Workshops on law enforcement	Each	1	1	4000	1,600	2,400	1,600	2,400	8,000
.18	AHSP Conference		2	2	7,000	5,600	8,400	5,600	8,400	28,000
.19	Coordination of AHS providers	Each	1		12,000	12,000	-	-		12,000
.20	Training of PVP in Mngnt at SUA	trainees	5	5	1200	6,000	-	6,000		12,000
.21	Support on privatisation issues	Each	3	3	6500	9,750	9,750	9,750	9,750	39,000
.22	TVB support in redefining DVS roles	Each	3		3,000	9,000	-	-		9,000
.23	Sanitary Mandate study	Each	1	1	5000	5,000	-	5,000		10,000
.24	Internal travel	Each	84	84	40	3,360	-	3,360		6,720
	Subtotal for activities					**141,790**	**150,520**	**110,026**	**128,038**	**530,374**
	Investments & Supplies									
.1	Motorcycles	Unit	3	-	2,500	750	6,750	-	-	7,500

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

udget ading	Activities and Other Costs	UNIT	QUANTITIES YR 1	QUANTITIES YR 2	UNIT COST	YEAR 1 OF EXTENTION GOT	YEAR 1 OF EXTENTION EDF Fund	YEAR 2 OF EXTENSION GOT	YEAR 2 OF EXTENSION EDF Fund	Total
2	Bicycles	Unit	100	100	77	-	7,700	-	7,700	15,400
3	RP Surveillance Equip & cosumables.	Each	7	7	4000	14,000	14,000	14,000	14,000	56,000
4	Rinderpest Test kits	Each	2	2	20,000	-	40,000	-	40,000	80,000
5	CBPP reagents, kits & equipment	Lot	1		31,000	31,000	-	-		31,000
6	CBPP Vaccines and equipment	mill Doses	5	5	120	600	-	600		1,200
7	Stationery	Each	1	1	800	800	-	800	-	1,600
	Sub total for Investments					**47,150**	**68,450**	**15,400**	**61,700**	**192,700**
	Operating Costs					-	-	-	-	-
1	Personnel: Epidemiologist (II)	Man month	12	12	200	2,400	-	2,400		4,800
2	Privatisation officer	Man month	12	12	340	4,080	-	4,080		8,160
3	CBPP Coordinator	Man month	12	12	340	4,080	-	4,080		8,160
4	Economist	Man month	12	12	150	1,800	-	1,800		3,600
5	Motorcycle Operating Costs	Each	20	20	360	1,800	5,400	1,800	5,400	14,400
6	Vehicle Operational cost	V/Year	2	2	5240	3,982	6,498	3,982	6,498	20,960
	Sub-Total for Operating costs					18,142	11,898	18,142	11,898	60,080
	Total for Rinderpest Eradication and Epizootics Control					**207,082**	**230,868**	**143,568**	**201,635**	**783,154**
. STRENGTHENING SURVELLANCE TO SUPPORT POLICY FORMULATION										
	Activities									
1	Training on active disease surveillance	sessions	2	2	5,000	6,000	4,000	6,000	4,000	20,000
2	Performance assessment of ESN	meetings	2	2	1,200	1,440	960	1,440	960	4,800
3	Training on computer networking	sessions	1	1	8,000	1,600	6,400	1,600	6,400	16,000
4	Training on ARIS		1	1	15,000	3,000	12,000	3,000	12,000	30,000
5	Support for restart of Diploma course		1	1	9,000	1,800	7,200	1,800	7,200	18,000
6	Regional/cross border meetings	Each	2	2	6,000	6,000	6,000	6,000	6,000	24,000
7	Facilitate DVS & NPC to attend OIE m	sessions	1	1	4,000	2,000	2,000	2,000	2,000	8,000
8	Supervision of Disease reporting	Man days	168	168	40	3,360	3,360	3,360	3,360	13,440
9	CVL support	Each	1	1	4000	4,000	-	4,000		8,000
10	Training Researcher & lab technician	Each	1	1	6000	-	6,000		6,000	12,000
11	VIC support	Each	7	7	3000	21,000	-	21,000	-	42,000
12	FMD Surveillance	Each	1	1	5,000	1,250	3,750	1,250	3,750	10,000
13	Surveillance Operations	Each	7	7	2,320	4,060	12,180	4,060	12,180	32,480

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

udget eading	Activities and Other Costs	UNIT	QUANTITIES YR 1	QUANTITIES YR 2	UNIT COST	YEAR 1 OF EXTENTION GOT	YEAR 1 OF EXTENTION EDF Fund	YEAR 2 OF EXTENSION GOT	YEAR 2 OF EXTENSION EDF Fund	Total
.14	Regional workshops	Each	2	2	2,250	1,800	2,700	1,800	2,700	9,000
.15	Communication Mini Lab operations	Lots	1	1	860		860	-	860	1,720
.16	Sensitisation of public on disease repo	Each	4	4	5500	15,400	6,600	15,400	6,600	44,000
.17	Publication/circulation of Newsletter	Issue	4	4	4000	3,200	12,800	3,200	12,800	32,000
.18	Programme Monitoring & Evaluation	ManDays	40	40	40	1,600	-	1,600	-	3,200
.19	Post graduate studies	Each	1	0	40000	-	40,000	-	-	40,000
.20	Steering Committee Meetings.	Each	4	4	1000	1,200	2,800	1,200	2,800	8,000
.21	Technical Advisory Committee Meeting	Each	-	-	25000	-	-	-	-	-
.22	Auditing	Each	1	1	7500	-	7,500		7,500	15,000
.23	Internal meetings	Each	4	4	2400	9,600	-	9,600	-	19,200
.24	Ministerial Cross border harmonization	Each	1	0	20000	10,000	10,000	-	-	20,000
.25	Training on Network & network admini	Each	1	1	6,000	1,800	4,200	1,800	4,200	12,000
.26	Training in Vet. Epidemiology and Eco	Each	1	-	10000	3,000	7,000	-	-	10,000
.27	Annual workshop (Veterinary & Livesto	Each	3	3	6000	5,400	12,600	5,400	12,600	36,000
.28	Regional/cross border meetings	Each	5	5	5000	7,500	10,000	7,500	10,000	35,000
.29	programme coordination	ManDays	140	140	40	1,680	3,920	1,680	3,920	11,200
.30	Collaboration with wildlife sector	Man month	1	1	11,000	-	11,000	-	11,000	22,000
	Sub total for Activities					***117,690***	***195,830***	***104,690***	***138,830***	***557,040***
.	**Investments & Supplies**									
.1	Equipment: Digital Cameras	Each	14	-	2980		16,688	25,032		41,720
.2	Supplies: Stationery	Lots	5	5	750	3,000	750	3,000	750	7,500
.3	Specialised Diagnostics kits for CVL/A	Set	2	2	6000	4,800	7,200	4,800	7,200	24,000
.4	Basic Diagnostic Kits for VICs	Set	7	-	2000	11,200	2,800	-	-	14,000
.5	FMD and Other ELISA Kits	Kits	2	2	6000	3,000	9,000	3,000	9,000	24,000
.6	Lab Consumables VICs)	Lots	7	-	1000	5,600	-	-	-	5,600
.7	Network server & WAN installation	Each	1	1	15,000	-	15,000	-	15,000	30,000
.8	Computer & accessories	Each	-	2	2,500		-		5,000	5,000
.9	Office equipments	Lot	1	-	3000	3,000	-	-	-	3,000
.10	Radio Call equipments & installation	Unit	10	-	3500	-	35,000	-	-	35,000
.11	Photocopier	Each	-	-	4,000	-	-	-	-	-
	Sub total for investments & supplies					**30,600**	**86,438**	**35,832**	**36,950**	**189,820**

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

udget ading	Activities and Other Costs	UNIT	QUANTITIES YR 1	QUANTITIES YR 2	UNIT COST	YEAR 1 OF EXTENTION GOT	YEAR 1 OF EXTENTION EDF Fund	YEAR 2 OF EXTENSION GOT	YEAR 2 OF EXTENSION EDF Fund	Total
	Operating Costs					-	-	-	-	-
1	Staff Costs					-				-
1.1	Project Coordinator	Man month	12	12	240	2,880	-	2,880		5,760
1.2	Accountant	Man month	12	12	150	1,800	-	1,800		3,600
1.3	Supplies Officer.	Man month	12	12	150	1,800	-	1,800		3,600
1.4	Administrative Assistant	Man month	12	12	120	1,440	-	1,440		2,880
1.5	Drivers	Man Moths	180	180	80	14,400	-	14,400		28,800
1.6	Office Attendants	Man Mon	36	36	80	2,880	-	2,880		5,760
1.7	Epidemiologists (I)	Man month	12	12	240	2,880	-	2,880		5,760
1.8	Data Entry Clerk	Man month	12	12	150	1,800	-	1,800		3,600
1.9	Communication Officer	Man month	12	12	150	1,800	-	1,800		3,600
1.10	VIC Officer In-charge	Man month	84	84	150	12,600	-	12,600		25,200
1.11	ADRI Staff-Veterinarians	Man month	36	36	150	5,400	-	5,400		10,800
1.12	Other Animal health staff	Man month	60	60	150	-	9,000	-	9,000	18,000
	Sub total for staff costs					49,680	9,000	49,680	9,000	117,360
2	Vehicle Operating Costs HQT	V/Year	5	5	5240	9,956	16,244	9,956	16,244	52,400
3	Vehicles Operating Costs (VICs)	V/Year	7	7	5,240	13,938	22,742	13,938	22,742	73,360
4	Over time/other allowances	Lumpsum	4	4	2000	-	8,000	-	8,000	16,000
5	Bonus Performance scheme	Lumpsum	4	4	12,500	-	50,000	-	50,000	100,000
6	Office Operating costs	Lots	2	2	3000	4,500	1,500	4,500	1,500	12,000
7	Office minor works	Lots	1	1	5000	5,000	-	5,000	-	10,000
8	Telecommunications	Lots	1	1	5000	2,500	2,500	2,500	2,500	10,000
	Sub total Operating costs					**85,574**	**109,986**	**85,574**	**109,986**	**391,120**
	Total For Strengthening Surveillance					**233,864**	**392,254**	**226,096**	**285,766**	**1,137,980**
TAL FOR THE PROJECT						440,947	623,121	369,665	487,401	1,921,134
ıtingency 5%						22,047	31,156	18,483	24,370	96,057
nd total for Imprest Account Commitment						462,994	654,277	388,148	511,771	2,017,190

Annex 6. Technical and Administrative Implementation

1. Imprest Administrator and Imprest Accounting Officer

For implementation of the direct labour component of this programme estimate, the National Authorising Officer shall partially delegate his/her powers to The Imprest Administrator and Imprest Accounting Officer designated below.

The designated Imprest Administrator is:

Dr. Mohammed Msigara Bahari; National programme Coordinator

The designated Imprest accounting officer is:

Emmanuel Rhobi; Project Accountant

The Substitute Imprest Administrator is:

Dr. Pascal Fidelis Mujuni; National Epidemiologist

The substitute Imprest accounting officer is:

Salim Mwinjaka; Livestock Economist

The tasks and responsibilities of the Imprest administrator and Imprest accounting officer are described in the Practical guide.

2. Period covered

The period covered by this programme estimate runs from

1st November 2004 to 31st October 2005 (12 months).

Payments under the direct labour component of this programme estimate can only be made for expenditure linked to operations properly scheduled and implemented during this period.

No further expenditure may be committed after the end of this period Expenditure paid and/or committed before the date on which this programme estimate is endorsed by the Head of Delegation will, on no account, be covered by the EDF.

3. "EDF Imprest" bank account(s)

The references for the "EDF Imprest" bank account is:

Account in national currency
Bank: CRDB Bank Ltd
Branch: Azikiwe Branch
Title: PACE Tanzania Project Extension Year 1
Account No: .....

4. Amount of the direct labour component of the global plan

The total amount of the direct labour component of this global plan: **Tanzania Shillings (TZS) 1,166,048,000.00**

Part to be carried out in national currency: **TZS 1,166,048,000.00** (equivalent to Euro 844,962.0)

Part to be carried out in other currency NIL

5. Initial allocation (advance)

There is a single "EDF Imprest" bank account in national currency and there is no externalised direct labour operation.

The amount of the initial allocation (advance) that will be paid into the bank account in the local currency specified above is set at:

20 - 30% of the total cost less contingency

6. Replenishment requests and justification of expenditure

Replenishment requests, including justification of expenditure incurred, will be drawn up by the Imprest administrator and Imprest Accounting Officer and submitted to the National Authorising Officer at least every three Months.

7. Amount of the direct labour component of the global plan

The total amount of the direct labour component of this global plan is: **Tanzania Shillings (TZS) 1,166,048,000.00**

Part to be carried out in national currency: **TZS 1,166,048,000.00** (equivalent to Euro 844,962.0)

Part to be carried out in other currency NIL

8. Initial allocation (advance)

There is a single "EDF Imprest" bank account in national currency and there is no externalised direct labour operation.

The amount of the initial allocation (advance) that will be paid into the bank account in the local currency specified above is set at:

20-30% of the total cost less contingency

9. Procedures and Thresholds for award of Contract and grants

Procedures and Thresholds for award of Contract and grants are in annex 7. Summary tables of powers delegated by the national authorising officer for contracts and awards are in annex 13.

Grant and award procedures shall be for direct agreement simplified, or open. Direct agreement procedures shall be undertaken where the grant/award sum is less than €5,000.and maybe concluded with one bid. Simplified procedures shall be undertaken where the award/grant sum is less than €300,000/= in case of works, €30,000 in case of supplies and €200,000 in case of services. These shall involve three or more valid quotations obtained through short listing. Open procedures shall be undertaken where in case of supplies the award/grant sum is less than €150,000 in case of supplies or less than €1000,000 in case of grants. These shall involve tendering processes.

The head of delegation shall approve tender dossiers OR the documents relating to the calls for proposals before launching the open procedure. He/She shall also approve proposals for award of contracts and grants whose sum is above *EUR 5,000.00*.

The Imprest administrator shall approve direct agreement procedures as well as managing and concluding simplified and open tenders.

10. Cash disbursement procedures

Payments will be made in the name and on behalf of the National Authorising Officer from the "EDF Imprest" bank account(s) referred to in section 4.6. These transactions do not require the intervention of the National Authorising Officer or the Head of Delegation.

Petty cash in national currency shall be kept to pay sundry administrative expenditure. The petty cash will be managed under the responsibility of the Imprest accounting officer.

11. Staff management Rules

Rules for staff management covering seconded officials or other agents are as per Civil Service Regulations and Government Standing Orders.

A list of staff and rates for daily mission allowances are set out in Annex (14) to this programme estimate. Performance based bonus will be awarded as per developed performance management scheme.

12. Changes to the programme estimate during implementation

Any change to this programme estimate requires the prior written authorisation of the National (or Regional) Authorising Officer and, where applicable, of the Head of Delegation. If this is not done, no expenditure arising from the change will be covered by the EDF.

13. Implementation reports

The Imprest administrator and Imprest accounting officer must draw up quarterly summary interim implementation report(s) and a full final implementation report. The final report must be submitted at the latest 30

Two copies of the reports must be submitted to the National (or Regional) Authorising Officer, two copies to the supervisory technical Ministry *(where applicable)* and two copies to the Head of Delegation.

They will be sent one copy each to the members of the Steering Committee two weeks before the scheduled date of its meeting.

14. Closure of the direct labour component of the programme estimate

Closure of the direct labour component of this programme estimate must take place as soon as possible after the end of the period it covers. The closure request, including the final statement of expenditure of the direct labour component of the programme estimate, must be drawn up and submitted not later than three months after the end of the period covered by this programme estimate. It must be closed no later than six months after the end of the period it covers.

The amounts corresponding to non-accepted or unjustified expenditure must be refunded without delay by the Imprest administrator and the Imprest accounting officer or, where applicable, by the third-party organisation referred to in section 4.2. If they fail to do so, and if a financial guarantee was not obtained before payment of the initial allocation, the National (or Regional) Authorising Officer will become responsible for the debt and the amounts due will have to be refunded to the EDF by the ACP State concerned.

15. Audit(s)

A financial audit of expenditure will be carried out under the following schedule:

- Interim audits at replenishment
- Consolidated audit at closure of PE

The auditors may carry out any accounting, technical, administrative and legal verification they deem useful or necessary. For this purpose they have a right to see any document relating to the project and the implementation of this programme estimate.

16. Tax and customs arrangements

The tax and customs arrangements are those set out in Article 31 of Annex IV to the Cotonou Agreement.

Annex 7. Contracts and Grant Award Procedures

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

PROGRAMME ESTIMATE
(Amounts in EUR)

DIRECT LABOUR COMMITMENT

SPECIFIC COMMITMENTS

		DIRECT LABOUR COMMITMENT			SPECIFIC COMMITMENTS			
TYPE OF CONTRACT OR GRANT AWARD PROCEDURE		Direct agreement 1 bid only	Simplified procedure consultation and receipt of 3 valid tenders	Open local tender/call for proposals	Use of framework contracts Simplified procedure (1)	Open local tender/call for proposals	Restricted international tender procedure 4 - 8 service providers invited	International open tender/call for proposals
ROLES OF PARTIES	NATIONAL (REGIONAL) AUTHORISING OFFICER	ROLE TO BE SPECIFIED IN THE FINANCING AGREEMENT AND/OR TERMS OF REFERENCE OF THE SERVICE CONTRACT WITH THE THIRD PARTY ORGANISATION (EXTERNALISED DIRECT LABOUR OPERATIONS) AND IN THE PROGRAMME ESTIMATE TECHNICAL AND ADMINISTRATIVE ARRANGEMENTS				PREPARATION OF TenD		
						LAUNCHING OF TENDER PROCEDURES		
						CONCLUSION AND MANAGEMENT OF CONTRACTS		
	HEAD OF DELEGATION	APPROVAL OF THE TENDER DOSSIERS BEFORE LAUNCHING THE PROCEDURE			CONCLUSION AND MANAGEMENT OF CONTRACTS	APPROVAL OF TenD	PREPARATION OF TENDER DOSSIERS	
		APPROVAL OF CALLS FOR PROPOSAL DOCUMENTS				APPROVAL OF CALLS FOR PROPOSALS DOCUMENTS		
		APPROVAL OF THE AWARD OF CONTRACTS AND GRANTS				APPROVAL AND AWARD OF CONTRACTS AND GRANTS		
						APPROVAL OF CONTRACTS AND AUTHORISATIONS OF PAYMENTS		
	IMPREST ADMINIS. AND IMPREST ACCOUNTING OFFICER	CONCLUSION AND MANAGEMENT OF CONTRACTS (for and on behalf of the ACP state concerned)			N/A	N/A	N/A	N/A
TYPE OF CONTRACT	WORKS	</= 5 000	< 300 000	N/A	N/A	=/> 300 000	N/A	> 5 000 000
	SUPPLIES	</= 5 000	< 30 000	</= 150 000	N/A	N/A	N/A	> 150 000
	SERVICES	</= 5 000	< 200 000	N/A	< 200 000	N/A	=/> 200 000	N/A
	GRANTS	N/A	N/A	</= 100 000	N/A	> 100 000	N/A	> 100 000
		LOCAL/ EDF CONTRACT	EDF CONTRACT		EDF CONTRACT			
PAYMENTS	REPLENISHMENT OF EDF IMPREST ACCOUNT(S)	PAYMENTS AUTHORISED BY NAO AND HEAD OF DELEGATION AND EXECUTED FROM NATIONAL AND EUROPEAN PAYING AGENT ACCOUNTS			N/A	N/A	N/A	N/A
	PAYMENTS TO CONTRACTORS	PAYMENTS AUTHORISED AND EXECUTED BY IMPREST ADMINISTRATOR AND IMPREST ACCOUNTING OFFICER FROM EDF IMPREST ACCOUNT(S) (for and on behalf of the ACP State concerned)			PAYMENTS AUTHORISED BY NAO AND HEAD OF DELEGATION AND EXECUTED FROM NATIONAL AND EUROPEAN PAYING AGENT ACCOUNTS			
FINANCIAL GUARANTEE FOR PAYMENT OF THE ADVANCE		DIRECT LABOUR: NOT REQUIRED FOR PAYMENT OF INITIAL ALLOCATION EXTERNALISED DIRECT LABOUR: REQUIRED FOR PAYMENT OF INITIAL ALLOCATION REQUIRED FOR CONTRACTS CONCLUDED UNDER DIRECT LABOUR COMPONENT			REQUIRED IN ACCORDANCE WITH THE GENERAL CONDITIONS FOR EDF-FINANCED CONTRACTS			

TenD = TENDER DOSSIER

N/A = NOT APPLICABLE

(1): For audit and evaluation contracts

Annex 8 Tax and Customs Arrangement

COTONOU AGREEMENT 23 JUNE 2000

ANNEX IV – IMPLEMENTATION AND MANAGEMENT PROCEDURES

ARTICLE 31

Tax and customs arrangements

1. The ACP States shall apply to contracts financed by the Community tax and customs arrangements no less favourable than those applied by them to the most favoured States or international development organizations with which they have relations. For the purpose of determining the most-favoured-nation (MFN) treatment, account shall not be taken of arrangements applied by the ACP State concerned to other ACP States, or to other developing countries.
2. Subject to the above provisions the following shall apply to contracts financed by the Community:
   (a) the contract shall not be subject in the beneficiary ACP State to stamp or registration duties or to fiscal charges having equivalent effect, whether such charges already exist or are to be instituted in the future; however, such contracts shall be registered in accordance with the laws in force in the CP State and a fee corresponding to the service rendered may be charged for it;
   (b) profits and/or income arising from the performance of contracts shall be taxable according to the internal fiscal arrangements of the ACP State concerned, provided that the natural or legal persons who realise such profit and/or income have a permanent place of business in that State, or that the performance of the contract takes longer than six months;
   (c) enterprises which must import professional equipment in order to carry out works contracts shall, if they so request, benefit from the system of temporary admission as laid down by the national legislation of the beneficiary ACP State in respect of the said equipment;
   (d) professional equipment necessary for carrying out tasks defined in a service contract shall be temporarily admitted into the beneficiary ACP State or States in accordance with its national legislation free of fiscal, import and customs duties and of other charges having equivalent effect where these duties and charges do not constitute remuneration for services rendered;

(e) imports under supply contracts shall be admitted into the beneficiary ACP State without customs duties, import duties, taxes or fiscal charges having equivalent effect. The contract for supplies originating in the ACP State concerned shall be concluded on the basis of the ex-works price of the supplies to which may be added such internal fiscal charges as may be applicable to those supplies in the ACP State;

(f) fuels, lubricants and hydrocarbon binders and, in general, all materials used in the performance of works contracts, shall be deemed to have been purchased on the local market and shall be subject to fiscal rules applicable under the national legislation in force in the beneficiary ACP State, and

(g) personal and household effects imported for use by natural persons, other than those recruited locally, engaged in carrying out tasks defined in a service contract and members of their families, shall be exempt from customs or import duties, taxes and other fiscal charges having equivalent effect, within the limit of the national legislation in force in the beneficiary ACP State.

3. Any matter not covered by the above provisions on tax and customs arrangements shall remain subject to the national legislation of the ACP State concerned.

Annex 9. Examples of Documents to be Included in Replenishment request files

(ACP STATE) ..... *EUROPEAN*

MINISTRY ..... *DEVELOPMENT FUND*

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

REPLENISHMENT REQUEST NO (...)

FOR THE PERIOD FROM (.....) TO (.....)

THIS REPLENISHMENT REQUEST IS APPROVED FOR THE SUM OF: (*currency*) (*amount in figures*) .....

or: (*currency*) (*amount in words*) .....

Please will you pay the above amount to the "EDF Imprest" bank account in (*currency*). The account details are as follows:

Name of bank : .....
Address of agency : .....
Account name : .....
Account number : .....

THE IMPREST ADMINISTRATOR

(name)
(date and signature)

THE IMPREST ACCOUNTING OFFICER

(name)
(date and signature)

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Statement justifying the initial allocation (advance) received in (*currency*)

	Description	Amount
1.	AMOUNT OF ADVANCE RECEIVED	
2.	AMOUNT OF THIS RECORD OF EXPENDITURE	
3.	BANK BALANCE AT: (END OF THE PERIOD COVERED BY THIS RECORD)	
4.	CASH BALANCE AT: (END OF THE PERIOD COVERED BY THIS RECORD)	
5.	AMOUNT OF PAYMENTS MADE BUT TO BE PRESENTED ON A FUTURE RECORD	
6.	AMOUNT OF RECORDS SUBMITTED AWAITING REIMBURSEMENT	
7.	AMOUNTS OF EXPENDITURE REJECTED OR PENDING FURTHER JUSTIFICATION ON PREVIOUS RECORDS	
8.	AMOUNTS OF PREVIOUS RECORDS DEDUCTED FROM THE ADVANCE	
	TOTAL OF AMOUNTS 2 TO 8 (must be the same as the amount of the advance received)	

THE IMPREST ADMINISTRATOR

OFFICER

(name)
(date and signature)

THE IMPREST ACCOUNTING

(name)
(date and signature)

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Estimate of cash requirements in (currency)

	Description	**Amount**
1.	BANK BALANCE AT: (END OF THE PERIOD COVERED BY THIS RECORD) Bank account No ..... at ..... bank	
2.	CASH BALANCE AT: (END OF THE PERIOD COVERED BY THIS RECORD)	
3.	AMOUNT OF REPLENISHMENT(S) EXPECTED WITHIN (...) MONTHS ON THE BASIS OF PREVIOUS APPROVED RECORDS	
4.	SUB TOTAL (1+2+3)	
5.	ESTIMATED AMOUNT OF ONGOING COMMITMENTS AND/OR ACTIVITIES TO BE CARRIED OUT OVER THE FOLLOWING (...) MONTHS	
6.	ESTIMATED AMOUNT OF THE PROJECT'S OPERATING COSTS OVER THE NEXT (...) MONTHS	
7.	SUB TOTAL (5+6)	
8.	ANY OTHER AMOUNTS TO BE TAKEN INTO ACCOUNT	
	TOTAL CASH REQUIREMENTS (4-7+or-8)	

Comments: .....
.....
.....

THE IMPREST ADMINISTRATOR OFFICER

(name)

(date and signature)

THE IMPREST ACCOUNTING

(name)

(date and signature)

(ACP STATE) .....
MINISTRY .....

EUROPEAN DEVELOPMENT FUND

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF OWN RESOURCES AND OF THE THEIR USE No (...)

COVERING THE PERIOD FROM (.....) TO (.....)

THIS RECORD IS APPROVED FOR THE SUM

(a) OF: (*currency*) (*amount in figures*) .....

that is : (*currency*) (*amount in words*) .....

representing revenue earned in the period in question.

(b) OF: (*currency*) (*amount in figures*) .....

that is : (*currency*) (*amount in words*) .....

representing expenditure incurred over the period in question in implementation of th own resources component of the programme-estimate.

THE IMPREST ADMINISTRATOR OFFICER	THE IMPREST ACCOUNTING
(name)	*(name)*

Annex 10. Examples of Documents Making up a record of Expenditure

(ACP STATE) ..... *EUROPEAN*

MINISTRY ..... *DEVELOPMENT FUND*

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE NO (...)
COVERING THE PERIOD FROM (.....) TO (.....)

THE RECORD OF EXPENDITURE IS APPROVED FOR THE SUM OF:
(*currency*) (*amount in figures*) .....

or: (*currency*) (*amount in words*) .....

representing expenditure incurred in implementation of the direct labour component of the programme estimate.

THE IMPREST ADMINISTRATOR **THE IMPREST ACCOUNTING OFFICER**

(name)
(date and signature)

(name)
(date and signature)

Financial and budgetary monitoring document

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Summary table of expenditure by budget estimate heading in (*currency*)

Code	Title	Amount
1.	ACTIVITIES	
1.1		
1.2		
1.3		
1.4		
1.5		
2.	INVESTMENTS	
2.1		
2.2		
2.3		
3.	OPERATING COSTS	
3.1		
3.2		
3.3		
3.4		
	TOTAL	

THE IMPREST ADMINISTRATOR OFFICER

(name)
(date and signature)

THE IMPREST ACCOUNTING

(name)
(date and signature)

PACE TANZANIA EXTENSION GLOBAL PLAN
(1st NOV 2004-31st OCT 2006)

Budgetary monitoring document

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Summary table of budget consumption by budget estimate heading in (currency)

Code	Title	Programme estimate budget estimate (1)	Previous records (2)	Current record (3)	Sum total of records (4) = (2) + (3)	Available balance (1) – (4)	Rate of consumption (%) (4) / (1)
1.	ACTIVITIES						
1.1							
1.2							
1.3							
1.4							
1.5							
2.	INVESTMENTS						
2.1							
2.2							
2.3							
3.	OPERATING COS						
3.1							
3.2							
3.3							
3.4							
	TOTAL						

Budgetary monitoring document

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Detailed table of budget consumption by budget estimate item in (currency)

Code	Title	Programme estimate budget estimate (1)	Previous records (2)	Current record (3)	Sum total of records (4) = (2)+(3)	Available balance (1) – (4)	Rate of consumption (%) (4) / (1)
1.	ACTIVITIES						
1.1							
1.1.1							
1.1.1.1							
1.1.1.2							
1.1.1.3							
	Sub-total 1.1.1						
1.1.2							
1.1.2.1							
1.1.2.2							
	Sub-total 1.1.2						
	Sub-total 1.1						
1.2							
1.2.1							
1.2.1.1							
1.2.1.2							
	Sub-total 1.2.1						
1.2.2							
1.2.2.1							
1.2.2.2							
	Sub-total 1.2.2						
	Sub-total 1.2						
	Sub-total 1						
	And so on for the remaining budget estimate headings						
	TOTAL						

Financial monitoring document

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

***Detailed table of expenditure in* (currency)**

Entry No.	Budget/ analytical heading	Account heading	Nature of expenditure	Supplier	Invoice No.	Date of payment	Payment file No.	Amount
			SUB-TOTAL	BY LINE				
			TOTAL	**BY HEADING**				

Financial monitoring document

PROJECT .....

PROGRAMME ESTIMATE No (...) COVERING THE PERIOD FROM (.....)

TO (.....)

FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Statement of reconciliation of the balance of the "EDF imprest" bank account in (*currency*) as at ../../..

ACCOUNTS	BANK
Account name:	Name of bank: ... ...
Account No:	Account number: ... ...
Account title:	Account title: ... ...

Date	Item No	Title of operation	Account in the accounts		Account at the bank	
			debit	credit	debit	credit
30/../..		**Balances to reconcile**	.....			.....
		Balances reconciled		.....	.....	
		Totals	T1	T1	T2	T2

THE IMPREST ADMINISTRATOR **THE IMPREST ACCOUNTING OFFICER**

(name) *(name)*

Financial monitoring document

PROJECT .....

PROGRAMME-ESTIMATE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

INDIVIDUAL FINANCIAL COMMITMENT No (*accounting number*)

RECORD OF EXPENDITURE No (...) COVERING THE PERIOD FROM (.....) TO (.....)

Cash statement in (*currency*) as at ../../..

Account No: Name:

CASH COUNT

Notes:

10000 x _____	_____
5000 x _____	_____
2000 x _____	_____
1000 x _____	_____
500 x	

Sub-total A

Coins:

500 x _____	_____
100 x _____	_____
50 x _____	_____
25 x _____	_____
10 x _____	_____
5 x	

Sub-total B

Actual balance (C = A+B)

Account balance (D)

Difference (E = C - D)

Explanation for the difference: .....
.....
.....

THE IMPREST ADMINISTRATOR OFFICER

(name)

THE IMPREST ACCOUNTING

(name)

Annex 11. Examples of Supporting Documents by Type of Expenditure to be Included in Payment Files (records of expenditure)

- ***Works, supply and service contracts – grants***

  Depending on the contract or grant award procedure concerned, the supporting documents are as follows:

"Consultation" part:

- Pro forma invoices;
- Tender dossiers or call for proposals documents;
- Proof of sending dossiers to tenderers;
- Confirmation of receipt of tenders/proposals;
- Minutes of the tender/proposal opening session;
- Tender/proposal evaluation report;
- Contract or grant award proposal;
- Head of Delegation's letter of approval of the contract or grant.

"Contract" part:

- Works, supply or service contract;
- Grant contract;
- Letter of contract;
- Order form;
- Confirmation of the order by the contractor, supplier or service provider.

"Certified correct" part:

- Delivery note or acknowledgement of receipt;
- Acceptance report for supplies;
- Invoice endorsed with words "certified correct";
- Works progress report;
- Report on services provided;
- Grant implementation report.

Each delivery note or acknowledgement of receipt must be signed by a person other than the person who signed the corresponding order form.

"Payment" part:

- Paid invoice;
- Debit note;
- Bank statement;
- Receipted payment request;
- Proof of receipt by the contractor, supplier or service provider;
- Technical and financial report (grants).

Invoices must be made out to the project or programme-estimate concerned and mention the name and address of the contractor, supplier or service provider, the date and number of the invoice, clearly identify the goods, supplies or services provided, the number of units supplied and their unit price, the total amount to be paid, the means of payment and the contractor, supplier or service provider's acquittance.

- ***Staff costs***

The various supporting documents may be as follows:

- Costs of civil servants/other staff from the ACP country seconded to the project:
- List of the persons concerned;
- Receipted statements of allocations, allowances or any other financial benefit paid to them.

Costs covered by the direct labour component of programme-estimates in relation to non-civil servants and other staff recruited for project requirements:

- List of the staff concerned;
- Copies of their employment or work contracts and any addenda thereto;
- Receipted statements for monthly wages (advance and balance payments separately, where appropriate), allocations, allowances or payments of social benefits in the form of signed statements of salaries with indication of payment or individual pay slips or other documents initialled by the employee;
- Any other proof of payment, e.g. copies of cheques and cash receipts;
- Copies of documents relating to tax and social security contributions covered by the direct labour component of the programme-estimate;
- Leave statements;
- On completion of the employment contract or in the event of dismissal, the statement of allowances paid, proof of their payment and acceptance of the full and final settlement signed by the person concerned.

Reimbursable travel expenses and/or travel allowances:

- Mission orders signed by the person authorised to approve the mission and the person on mission;

A mission order is a document personally authorising a member of staff to carry out a specific task for a fixed duration at (a) precise location(s) which is/are distinct from his or her normal place of work. A mission order must therefore be issued in the person's name and stamped wherever possible on departure, en route and on arrival as proof of actual travel.

- Receipted statement of the employee's mission expenses and daily allowances (per diems);
- Ticket stubs or tickets for the means of transport;
- Boarding card(s) for each flight taken;
- Proof of payment of the ticket or invoice for the means of transport;
- Approved mission report.

- ***Cost of vehicles***

The various supporting documents are as follows:

- List of vehicles whose running costs are covered by the direct labour component of the programme-estimate;

- Records of running expenses for vehicles allowing expenses to be monitored by vehicle (analytical accounting), backed by relevant supporting documents (log books, invoices for fuel, servicing, spare parts, etc.).

  The log book for each vehicle should contain the following information: type and make of vehicle, the registration number, the name of the user, the reason for each trip, trips made, daily kilometrage, the amount of fuel put in the tank and the price paid each time, and average consumption.

All supporting documents should carry the registration number of the vehicle concerned.

Annex 12 : Example of a Cycle Programme Estimates, Records of Expenditure, Replenishments and Closures

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EXAMPLE OF A CYCLE OF PROGRAMME ESTIMATES, RECORDS OF EXPENDITURE, REPLENISHMENTS AND CLOSURES

NB: the number and duration of programme estimates and frequency of records of expenditure shown in this table are purely illustrative.

Consecutive months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
	Start-up PE				Closure: max 6 months																																										
Months	1	2	3	4				3				6																																			
										C																																				
Imprest admin./ imprest acc. officer	RA						RC																																							
NAO and Head of Delegation	Adv						Reimb and/or Cle																																								

Months			-2	-1	1	2	3	4	5	6	7	8	9	10	11	12	1		3			6
			DA	DA																		C
Imprest admin./ imprest acc. officer				RA				R1			R2			R3			R4		RC			
NAO and Head of Delegation				Adv				Repl			Repl			Repl and/or Cle			Repl and/or Cle		Reimb and/or Cle			

Months					-4	-3	-2	-1	1	2	3	4	5	6	7	8	9	10	11	12	1		3			6
					DA	DA	DA	DA																		C
Imprest admin./ imprest acc. officer								RA				R1			R2			R3			R4		RC		
NAO and Head of Delegation								Adv				Repl			Repl			Repl and/or Cle			Repl and/or Cle		Reimb and/or Cle		

Months																					-4	-3	-2	-1	1	2	3	4	5	6	7	8	9	10	11	12	1		3			6
																					DA	DA	DA	DA																		C
Imprest admin./ imprest acc. officer																								RA			R1			R2			R3			R4		RC		
NAO and Head of Delegation																								Adv			Repl			Repl			Repl and/or Cle			Repl and/or Cle		Reimb and/or Cle		

Last operational PE

Implementation period | **Closure: max 6 months**

Abbreviations		
	Adv	Advance
	C	Closure of the programme estimate
	Cle	Clearance of the advance
	DA	Drawing-up and approval of the programme estimate
	RA	Record of advance
	R1-4	Quarterly records
	RC	Record of closure
	Rb	Reimbursement from the "EDF imprest" bank account
	Repl	Replenishment of the "EDF imprest" bank account

Annex 13 Summary of Tables of Powers Delegated by The National Authorising Officer For Contracts and Grant Award Procedures

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The amounts should be adapted depending on the level of delegation *of powers (*)*

	Imprest administrator	National or Regional Authorising Officer
	EUR equivalent	*EUR equivalent*

Preparation of tender, calls for proposals and consultations dossiers (**)

Works	**<300 000**	**Between 300 000 and 5 000 000**
Supplies	*<= 150 000*	*N.A*
Services (***)	*< 200 000*	*N.A*
Grants	*<=100 000*	*> 100 000*

Launching and publication of tender procedures and calls for proposals and launching of consultations

Works	**<300 000**	**>=300 000**
Supplies	*<= 150 000*	*> 150 000*
Services (***)	*< 200 000*	*>= 200 000*
Grants	*<=100 000*	*> 100 000*

Setting-up of evaluation committees (, receipt and evaluation of tenders***

Works	**<300 000**	**>=300 000**
Supplies	*<= 150 000*	*> 150 000*
Services (***)	*< 200 000*	*>= 200 000*
Grants	*<=100 000*	*> 100 000*

Contracts and grants award decision

Works	**<300 000**	**>=300 000**
Supplies	*<= 150 000*	*> 150 000*
Services (***)	*< 200 000*	*>= 200 000*
Grants	*<=100 000*	*> 100 000*

Signing of contracts and addenda

Works	**<300 000**	**>=300 000**
Supplies	*<= 150 000*	*> 150 000*
Services (***)	*< 200 000*	*>= 200 000*
Grants	*<=100 000*	*> 100 000*

(*) IMPORTANT: Theses amounts are the same as the ceilings mentioned section 4.2 of the present practical guide. The NAO/RAO is empowered to lower these thresholds but may never raise them.
(**) International tender dossiers are prepared by the European Commission.
(***) Excluding use of the framework contract and audit and evaluation contracts

ANNEX 14: STAFF MANAGEMENT DOCUMENTS

PACE TANZANIA PROJECT STAFF LIST

S/N	SECTION	DESIGNATION	NAME
1	COORDINATION	NATION PROJECT COORDINATOR (NPC)	DR.MOHAMMED.M.BAHARI
2		PACE ACCOUNTANT	E K. RHOBI
3		STORES OFFICER	SEMALIGA MOHAMMED
4		ADMINISTRATIVE ASSISTANT/SEC	MRS. TAUSI MILONGE
5		OFFICE ATT	ANGELUS M.GWAJE
6		DRIVER 1	FAKI. H.FAKI-NPC's
7		DRIVER 2	MZINGA –EPID'S
8		DRIVER 3	NASSORO-CBPP'S
9		DRIVER 4	MAIDA-COMM'S
10		DRIVER 5	HATIBU- PRIVATS
11	EPIDEMIOLOGY	EPIDEMIOLOGIST-1	DR. PASCAL MUJUNI
12		EPIDEMIOLOGIST 2	DR.FRANCIS F.SUDI
13		DATA ENTRY	MR. MOHAMMED Y.RASHID
14	DELIVERY OF VET.SERVICES	PRIVATE VETERINARY PROMOTION OFFICER	DR.REMISKERE C.A.KWEKA
15	CBPP/OTHER EPIZOOTICS	CBPP COORDINATOR	DR. JOSEPH I KITALYI
16	COMMUNICATION	COMM.OFFICER	MRS HAPPINESS MLAKI
17	ECONOMICS	LIV.ECONOMIST	MR. SALIM R.MWINJAKA
18	CVL/ADRI	NVLS LIAISON OFFICER	DR. YONGOLO
19	VIC- ARUSHA	OFFICER I/C	DR.SWAI
20	VIC IRINGA	OFFICER I/C	DR.GOPREY M. NSENGWA
21	VIC MPWAPWA	OFFICER I/C	DR.JORAM E. MGHWIRA
22	VIC MTWARA	OFFICER I/C	DR HAMZA. MWAMHEHE
23	VIC MWANZA	OFFICER I/C	DR. MKONYI
24	VIC TABORA	OFFICER I/C	DR. D. J.A.MUKANGI
25	VIC TEMEKE	OFFICER I/C	DR KAPAGA

Rates for additional allowances

The National Project Coordinator as the Imprest Holder and Project accountant as the Imprest administrator will receive rent assistance at government rate commensurate with their prevailing salary scales. The NPC 60 Euro per month and Accountant 50 Euro per month.

Rates for mission daily allowances

Prevailing government rates for projects 20,000 to 40,000 TZS per day depending upon the status of the town and half per diem for transit nights as governed by current Government Circular. International Travel allowances will also follow government rates that ranges from US$ 180 to 220 per day depending upon the city and salary scale of the staffs.

Annex 15. EDF Imprest Account Specimen Signatures

Group 1 Signatories

.....

Dr Peter Z.Njau
Assistant Director, Animal Health Services .

.....

Dr Mohammed M.Bahari
National Project Coordinator
PACE (TANZANIA)

.....

Mr.Salim R Mwinjaka

PACE (TZ) Livestock Economist

Group 2 Signatories

.....

Dr Joseph I. Kitalyi

PACE (TZ) CBPP Co-ordinator

.....

Dr. Pascal. F. Mujuni

PACE (TZ) Epidemiologist One

.....

. Emmanuel K.Rhobi

PACE (TZ) Accountant /Accounting Officer

ANNEX 16 PACE TZ PERFORMANCE-RELATED BONUS SCHEME

The staffs of PACE Tanzania receive an incentive in the form of bonus payment, which is being based on their performance.

Bonus payments per month does not exceed the maximum limits approved by the NAO and the Delegation of the EC for EDF-financed project staff

The evaluation of staff performance is based upon their responsibilities for activities that are defined in the Programme Estimate, and on the contributions that they make to the project.

The potential bonus payments is not related to a staff member's position in the departmental hierarchy. Bonuses will be aligned to the staff member's role in a PACE-TZ project team. The project will form a number of teams depending on the activities to be undertaken. These will change from year to year and, possibly, from quarter to quarter, i preplanning become necessary.

The eligibility of staff who have supervisory roles will be relate to indicators such as the formal contact that they have with the staff that they are responsible for supervising and supporting.

For each staff member a job description (terms of reference) will be developed; these will be governed by the activities assigned to them.

The staff of PACE-TZ have already developed the details of the bonus scheme with the assistance of a management consultant in the first year of PACE programme implementation

The PACE-TZ Performance Management Review Panel drawn from NAO office, EU delegation and MWLD will evaluate the performance of staff on a quarterly basis.

The scheme may be reviewed to take into account the results of the Government's salary adjustment reforms.