

**Twining Project Bosnia and Herzegovina**  
**Activity 1.4 „Comprehensive financial strategy“**  
**Twining Project BA 05 IB AG 01**  
Sarajevo, 1<sup>st</sup> until 4<sup>th</sup> of October 2007

**Short-Term Mission**

**Mission Report**

**1. Names of experts:**

Heidemarie Helmsmüller; Niedersächsisches Ministerium für den ländlichen Raum, Ernährung, Landwirtschaft und Verbraucherschutz

Konrad Scholz, Landesamt für Verbraucherschutz und Lebensmittelsicherheit, Niedersachsen

**2. Objective and tasks of the mission:**

Developing a comprehensive financing strategy of the sector on redefining administration structures and responsibilities as well as implementation of a controlling system for administration

Mission details

1. Meetings with representatives of the competent authorities of the sector to keep information of their structure and actual financing strategy, their function and responsibilities and the coordination between all competent authorities at all levels
2. Analyse of the actual status in the fields responsibilities and financing
3. Developing of recommendations for optimising structure of responsibility and financing
4. workshop to present the results and discussion

**3. Time schedule of mission:**

Activity details:

30<sup>th</sup> of September Arrival at Sarajevo

1<sup>st</sup> of October 2007 – 3<sup>rd</sup> of October 2007

1. Meeting in the State Veterinary Office in BiH -  
Welcoming an introduction- Speaker Mr. Nihad Fejzic´,

Presentation of the financing strategy

Speaker: Mr. Darko Cobanov; Mrs. Sabaheta Huskic

2. Meeting in the Sarajevo Ministry for Agriculture, Forestry and Water management of the FBiH:
  - a. welcome and introduction  
Speaker: Mr. Enver Muratovic
  - b. Presentation of the responsibilities and financing strategy  
Speaker Ms. Nada Rajkovic, Assistant to the Minister
3. Meeting in the FVO  
Presentation of the comprehensive financing strategy of the Canton Sarajevo  
Speaker: Mr. Aladin Macanovic, Veterinary Inspector
4. Presentation of the comprehensive financing strategy of the RS  
Speaker: Mr. Dr.sc. Drago Nedic, Chief Veterinary Officer
5. Presentation of the comprehensive financing strategy of Brcko District  
Speaker: Mr. Nikola Ristic, Chief of sub-department for veterinary services
6. Presentation of the comprehensive financing strategy of the SVO  
Mr. Jozo Bagaric; Director, Chief Veterinary Officer

4<sup>th</sup> October 2007

Workshop in Sarajevo

- Presentation of the financial funding of the Bund, Laender and Landkreis level - constitutional organisation of the administration in Germany and their financing
- Administration of the budget in Lower Saxony
- Calculation of administration costs
- Budget plan of the LAVES
- Presentation of the animal health compensation fund
- Conclusions and recommendations

(see power point presentation at annex)

### **3. Summary of the Results of the Mission :**

#### **Common remarks:**

We met a lot of representatives of the veterinary administration of BiH of all levels and find a warm welcome anytime. All we have spoken with have been well informed about their organisation unit and their tasks, including national or regional legislation and EU legislation.

The structure of the veterinarian administration is very complex.

The State Veterinary Office(SVO) is the Central Competent Authority, which has the power to propose veterinary legislation. Other tasks of the SVO are

- Representing the country internationally
- Coordinating the operation of the network of diagnostic laboratories
- Proposing legislation on requirements for the registration of facilities and common registration procedure,
- Proposing regulations on a uniform residue control and monitoring program

- Supervising and inspecting import/export/transit passage via the veterinary border inspection
- Managing the animal Identification and Movement Control Program
- Harmonizing BiH legislation with the relevant EU legislation

The SVO is part of the Ministry of Foreign Trade and Economic Relations. The SVO collaborates with the Central Authorities of the two Entities - BiH federation (FBiH) and Republic of Srpska (RS) – and the district ob Brcko. In FBiH the intermediate level are constituted by the cantons, which also have an office of inspection. In RS Cantons are not foreseen in the structure, it is divided into six regions in this field, each of which has been assigned a veterinary inspector. At a lower level inspectors are present at municipal level in the two entities. The veterinary organisation at the municipal level in RS is private, in FBiH mostly public.

We got the following information about the financing of the veterinary administration:  
SVO:

The SVO gets a budget from the ministry. This budget concludes

- The current costs
- The capital costs
- And costs for special programs

The SVO has to plan it's budget the year before. The plan concludes the working program, which bases on the regularly reports of the federal inspectorate.

There are some incomes for the SVO from the services of the border inspection and the licences for import and export of food of animal origin. The income is less than the costs. The ministry controls the handling of the budget.

The financing of the central authorities are very different. FBiH gives money for special programs to the cantons, which give the money to the veterinary station. If the money is not enough to finance special measures the canton adds the difference so far as possible.

In RS the central veterinary service in the ministry of agriculture, forestry and water management gives money to the local authorities and also decides about the measures the local authorities have to take.

In addition the SVO finances the national plan of residue control (in the sector fish) and a part of the animal identification and movement program. The SVO gives order for measures to the veterinary administration in the entities and the district Brcko once a year and pays a part of the costs. The financing of the enforcement is task of the entities. The entities can add measures. It seems, because there is no system to ensure that the local authorities provide sufficient budgetary means to enforce complete orders (those of the SVO and those of the entities), the local authorities decide what to do for their own requirements.

### **Conclusions:**

The information we got don't show a clear system neither in organisation nor in financing the veterinarian administration. The local authorities get orders from the State Veterinary Office, from the Entities and in FBiH from the cantons, but budgetary means don't follow this chain of command.

There is less coordination between the different levels in the veterinary administration and less coordination between different authorities at the same level. So the authorities work isolated, quality and quantity of performance are different.

## **Recommendations:**

The SVO as central competent authority should develop a coherent legislation, full harmonised with EU legislation, in the fields of food of animal origin, animal health and animal welfare, animal drugs and feed. This legislation should lay down the competence of the state level, the entities and the District Brcko in the various sectors.

The Entities and the District Brcko should lay down rules and procedures to enforce that above mentioned legislation and ensure to reach the aims.

Setting legislation by the SVO should be a procedure which is accompanied intensively by consultations with the entities and the District Brcko. The financial effects should be assessed and this information should be given to the parliaments. With the passing of the bill the involved parliaments also should decide on financial requirements. Each bill should include a last date for the implementation in the entities.

The Entities should implement the act without changing its material content. They can lay down the competent authorities, procedures for implementation with regard to special regional conditions. The entities too should assess the financial requirements for implementation and give the information to parliament. The entities should ensure that adequate financial resources are available for the official controls. Therefore the entities should consult the local authorities intensively.

The European Union gives a successful example for managing complex structures. The main principles are communication, coordination and compromise solutions.

The authorities should try to find out the complete costs and calculate on this basis the costs of each activity. Because, if they know what are the costs of each activity they could assess the costs of additional activities. The development of the activities should correspond to the development of budgetary means. Who orders activities has to ensure the financial resources.

## **Perspective:**

A project in one or some local or regional authorities should be started to find out their individual complete costs and to calculate the cost of each activity. Parallel should start an analysis of the economic structure of the sphere of responsibility of this authority to find out, which and how many activities should be done by this authority on base of veterinarian legislation. The results are suitable for answers on various questions:

- Are the personal resources adequate to number of activities the authority should do?
- Are the financial resources sufficient to provide the necessary staff and other resources?
- How much money the authority needs to fulfil its responsibilities?
- What activities should be done if the financial resources are not changeable?

Reliable answers are the condition for planning effective veterinarian controls. The SVO should know and have regard to the resources of the entities and their local authorities. The authority should ensure by consultation with the entities, that its yearly order can be followed in praxis. So there will be a chance to develop the veterinarian administration of increasing effectiveness.

Name: \_\_\_\_\_  
Ms. Heidemarie Helmsmüller

Signature

Name: \_\_\_\_\_  
Mr. Konrad Scholz

Signature

### **Annex:**

#### Presentations of the workshop:

1. Information workshop to the current public procurement law
2. Organisation Federal Republic of Germany
3. Comparison of the BiH and German organization
4. Organization and planning of the budget from the LAVES
5. Organization and tasks of the Lower Saxony Animal Health Compensation Fund
6. Expenditure calculation
7. Organisation of Food Safety in Lower Saxony

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