

**MOLDOVA AGRICULTURAL COMPETITIVENESS PROJECT**

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**TERMS OF REFERENCE**  
**FOR**  
**INTERNATIONAL STUDY VISIT**  
**LEARNING ABOUT THE ANIMAL BY-PRODUCTS MANAGEMENT SYSTEM IN**  
**CROATIA**

## **1. BACKGROUND**

Moldova has received an Additional Financing (AF) from the International Development Association in the amount of US\$15.0 million for the Moldova Agriculture Competitiveness Project (MAC-P). The AF will be used for scaling up project activities under Component 1: *Enhancing Food Safety Management* aimed at strengthening human, institutional, and technical capacities of the country's food safety and quality management systems and ensuring regulatory and system compliance with sanitary and phytosanitary (SPS) standards on premium food export markets (primarily European Union [EU] and EU-aligned markets). To this end, the AF will finance a series of activities and investments aiming to establish a comprehensive, EU-compliant system for the management of animal by-products (ABPs) unintended for human consumption.

The safe management and/or disposal of animal waste, particularly ABPs, is one of the biggest challenges in the current Moldovan food production context - both for the public and the private actors. The current methods and patterns of disposal of animal waste are not compliant with international best practice, resulting in high public health and environmental risks. To this end, safe management of ABPs is one of the key priorities identified in the framework of the Moldova-EU Association Agreement and the Deep and Comprehensive Free Trade Agreement (concluded in 2014) in relation to required institutional and technical enhancements of the country's food safety management system.

Following the recent adoption of the ABP Law in 2019, the Government has reached an agreement with the World Bank over a project to establish a comprehensive, EU-compliant system for the management of ABPs unintended for human consumption. The Government of Moldova is committing significant public funds for establishing an ABP management system; however, no final decision has been made yet on the technical model of the intended facility and on the way in which the public and private sector would share the role in management of such facility.

A pre-feasibility study in this respect has been carried out under the EU-funded ENPARD technical assistance (project reference EuropeAid/137050/DH/SER/MD) in 2017-2018. Its findings are based on 2015-2016 data and propose several options to be considered in terms of creating the relevant ABP management infrastructure.

Following up on the conclusions and recommendations of the pre-feasibility study, the Government is currently carrying out a feasibility study that will further help decide on the best technical solution and on the operational/business model to be adopted, including on the private sector participation in the ABP management system. Subject to identifying a suitable location, a flow and traffic study shall be developed, as well as technical designs and full tender documentation for construction works and their supervision.

National Food Safety Agency (ANSA) and the Ministry of Agriculture and Food Industry (MAFI) are the key policy making and policy implementation authorities in the area of food safety in Moldova. On behalf of the Government of Moldova, these institutions are the key beneficiaries of this assignment.

## 2. RATIONALE

With an area of 56 594 km<sup>2</sup>, the Republic of Croatia is a Central European and Mediterranean country, culturally and historically linked to Central and Eastern Europe. The capital city is Zagreb, which is also a political, administrative and economic center. During the 20th century, Croatia was part of the Socialist Federal Republic of Yugoslavia, ruled under the communist system, i.e. having state-owned companies. Croatia became an independent state in 1991 when a democratic, multi-party-political system was adopted and political/economic reforms were implemented.

Croatia has a population of approximately 4.4 million (of whom 800,000 live in the capital Zagreb) (Croatian Bureau of Statistics). Croatia became a member of the European Union in 2013.

The food processing sector is well developed, supplying to both the domestic market and neighboring countries. Approximately 60% of all Croatian exports are destined for EU-27 countries. The gross value added from agriculture comprised 5.5% of the total in 2010 (1.7% EU-27) (Eurostat, 2012). Approximately 42% of the country's population live in rural areas and agriculture remains an important source of livelihood, employing 15% of the working population (World Bank). Many establishments are small family-owned enterprises, which mostly produce for their own needs, but there are some large state-owned agri-businesses, particularly in relation to poultry flocks. (In Croatia generally 99.5% of businesses were reported as small-medium sized enterprises in 2009) (Croatian Chamber of Commerce). The mass retail grocery market is growing as approx. 47% of consumers purchase food via supermarkets.

Following the EU accession requirements, safe management of ABPs has also been key priority for Croatia even though the country had already a solid experience in this area for more than 60 years with the first rendering plant established in 1950s' and over the years growing into today's Agroproteinka, as an independent company. After Croatian independence, Agroproteinka began to take over by-products of animal origin from the entire country, which led to an increase in production capacity by almost 50% by 1995. The company went through several phases of development and renovation since its inception, and today it is considered one of the best rendering plants in Europe in terms of technological and environmental status.

Operations within Agroproteinka are set up according to the principles of circular economy, therefore, animal and plant by-products, biodegradable and cooking oil waste are being processed in three separate plants. In addition to the central location, a network of collection points throughout Croatia have been established to shorten the time from the creation of the by-product to its processing. Also, a fleet of over 50 different specialized vehicles enables fast and timely response in the Republic of Croatia. Also, within the ABPs management system, an eco-service that provides a 24-hour intervention, seven days a week has been set up.

Following the EU accession, Croatia aligned its national legislation on ABPs not intended for human consumption management system to European Regulations and namely EU Regulation 1069/2009. The main actor involved in by-products' management is the Ministry of Agriculture, Fisheries and Rural Development (MAFRD) with its subordinated Directorates for Veterinary and Veterinary Inspection. These two Directorates are responsible for drafting national legislation in the veterinary field, developing programmes related to veterinary public health and ensuring the monitoring and coordination of implemented programmes, but also responsible for official controls on food of animal origin and food containing ingredients of animal and non-animal origin at the level of primary production, production and processing, and import.

The Croatian government is also implementing an AID program for the disposal of animal by-products from 2021 to 2023.

### **3. OBJECTIVES OF THE CONSULTANCY**

This international study visit aims at learning and enhancing knowledge about the ABP not intended for human consumption management system in Croatia.

The Moldovan group will constitute of approx. 12-14 participants and namely from the Ministry of Economy, Ministry of Regional Development and Infrastructure, Ministry of Agriculture and Food Industry, Ministry of Environment, the National Food Safety Agency, the Agency for Intervention and Payments for Agriculture and other relevant government authorities. The delegation will also have representatives from the fiduciary unit.

### **4. SPECIFIC TASKS**

Core activities to be included in the Study Visit are:

1. Meeting with representatives of the Ministry of Agriculture Fisheries and Rural Development (MAFRD). Main topics to be discussed relate to ABP not intended for human consumption management system in Croatia: legal and regulatory framework and stakeholders involved, aid program implemented for the disposal of animal by products, lessons learned. Harmonization of national legislation to EU regulations and namely to Regulation 1069/2009 and the EU Commission Regulation 142/2011;
2. Meetings with representatives of Veterinary Directorate and Directorate of Veterinary Inspection. Topics to be discussed relate to management of ABPs not intended for human consumption, inspection conducted at regional level.
3. Meeting with the Department of Agriculture to discuss about the AID program for the disposal of animal by-products from 2021 to 2023. Legal basis applied, beneficiaries of the program, financial aid provided per by-products category, program duration and budget allocated.
4. Meetings with representatives of Agroproteinka, a modern Croatian company and a market leader in the ecological disposal of by-products of animal origin and biodegradable waste, which will include:
  - a. Visits the central location with its three processing plants in Sesevski Kraljevec (that process animal and plant by-products, biodegradable and cooking oil waste). Learn about the collecting, transporting and processing services provided for: Category 1, 2 and 3 by-products, waste cooking oil and biodegradable waste from kitchens and canteens and other waste of biological origin. Raw materials obtained after processing (e.g. pet food from Cat 3 by-products, raw materials for biodiesel or energy resources from cat 1 and 2 by-products, etc.) and further management;
  - b. Learn about the network of four collection points strategically located and the transportation fleet that enables quick and in time collection of raw materials at national level. Conduct a visit to at least one collection point;
  - c. Learn about the ABP management information system that provides 24h intervention 7 days per week: design and operation;
  - d. Employees, qualifications and trainings provided.
  - e. Learn about the technological and environmental aspects and quality management certification implemented by Agroproteinka like ISO 9001:2015, ISO 14001:2015; HACCP; RED&ISCC EU; INS Certificate, etc.
  - f. Learn about the collaborations and contributions of Agroproteinka in the field of research with the veterinary Institute, the Faculty of Veterinary Medicine and the

Ministry of Agriculture in the area of contamination, traceability, human and animal health, environment, etc.

5. Meetings with food business operators working with all three categories of ABPs not intended for human consumption e.g., meat processing industry, slaughterhouses, farms, general food processing industry, chain stores, etc. in line with Regulation No 1069/2009. Learn about their experience of ABPs management, cooperation with specialized companies dealing with by-products as well as other waste, state aid received for disposal of animal by-products, specialized trainings received and communication with ABPs' stakeholders.
6. Meet with other stakeholders operating in the area of animal by-products management in Croatia.

The selected Firm / NGO (hereinafter "Consultant") will be required to perform also the following logistical tasks:

- Develop a tentative itinerary for the study visit, accompanied by short descriptions of each activity (locations, name of the stakeholders and companies to be visited, specific activities to be performed), taking into account the Goal of the program and suggested activities described above;
- Preparation of the Study Visit materials and guidelines, etc. for handing out to the participants covering main activities as described above;
- Suggest potential lodging sites, which are appropriate for the proposed itinerary;
- Arrange logistical arrangements (flight tickets for participants, transportation, accommodation, lunches and dinners while in Croatia);
- Provide translation services for the group during the Study Visit;
- Provide at least one expert to accompany the group during the visits included in itinerary.

## **5. EXPECTED DELIVERABLES**

1. Agenda accompanied by short descriptions of each activity (locations, name of the stakeholder, companies to be visited, specific activities to be performed), taking into account the Goal of the Study Visit and core specified activities;
2. Logistical arrangements carried out: flight tickets for participants, transportation from and to the airport, including within Croatia, accommodation (single rooms required), meals and translation services provided (from Croatian or / and English into Romanian), etc.;
3. Study Visit Reports with described deliverables achieved. Assessment questionnaire completed by all group participants.

## **6. TIMING**

The proposed timeframe for the study visit is planned for December 2021 – February 2021. The proposed duration of the study tour (time in country) is 4-5 (four/five) days. The actual dates for the study visit will depend on the schedule proposed by the Consultant.

## **7. REPORTING**

The International Consultant will be responsible for submission of the following reports:

**Inception report** – will cover the preparatory phase of the implementation of the project: agenda of the study visit with short descriptions of each activity and logistical arrangements carried (flight tickets for participants, transportation from and to the airport, including within Croatia,

accommodation (single rooms required), meals and translation services provided (from Croatian or / and English into Romanian).

**Final report** - After the completion of the Study Visit, the Consultant shall submit a Study Visit Report with included final agenda, list of participants, description of achieved deliverables, stakeholders met, participants' assessment of the event and pictures taken.

Both reports will be submitted in electronic and printed versions in English language to CAPMU for disbursement of payments.

## **8. QUALIFICATION REQUIREMENTS<sup>1</sup>**

The tasks will be undertaken by the Consultant with the following qualifications:

- Proven extensive experience in organization local and international study visits for official delegations;
- Demonstrated experience and previous cooperation with Croatian representatives of the central and local governments, private sector, ABPs operators, etc.;
- Appropriate related references will be considered an advantage;
- Good communication skills;
- Proficient knowledge of English.

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<sup>1</sup> For the evaluation purpose, the interested participants (Consultants) must submit the following documents:  
(i) A complete list of successfully completed similar assignments (consulting services) during the last 5 years, and  
(ii) All CVs of key experts to be involved (e.g. Team Leader, Logistical Expert, Interpreter).