

Standard Summary Project Fiche – IPA centralised programmes

Project number 1: Support to implementation of Public Administration Reform process

1. Basic Information

- 1.1 CRIS Number: 2009/021-765**
1.2 Title: Support to implementation of Public Administration Reform process
1.3 Elarg Statistical Code: 01.34
1.4 Location: Serbia

Implementing Arrangements

- 1.5 Contracting Authority:** EU Delegation to the Republic of Serbia
1.6 Implementing Agency: EU Delegation to the Republic of Serbia
1.7 Beneficiary (including details of project manager)

Beneficiaries of project are:

- Ministry for Public Administration and Local-self Government (MPALSG),
- Ministry of Telecommunications and Information Society (MTIS),
- Human Resources Management Service (HRMS).

The Project Manager is the Assistant Minister for European Integration, international cooperation and project management in MPALSG.¹

Financing

- 1.8 Overall cost (VAT excluded) 9.000.000 EUR**
1.9 EU contribution: 6.500.000 EUR
1.10 Final date for contracting: 2 years after signature of the Financing Agreement (FA)
1.11 Final date for execution of contracts: 4 years after signature of FA
1.12 Final date for disbursements: 5 years after signature of FA

2. Overall objective and project purpose

2.1 Overall Objective

To improve the public administration system in the Republic of Serbia in accordance with the requirements of the EU integration process.

¹ A diagram presenting the full Project Implementation structure is attached in annex 5 of the project fiche.

2.2 Project purpose

Contribute to the successful implementation of Public Administration (PA) reform in particular as related to PA efficiency, civil service recruitment, career development, training and e-Government.

2.3 Link with AP / NPAA / EP / SAA

European Partnership

This project will embody the implementation of the priorities defined in the Council Decision 2008/213/EC of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership (EP) with Republic of Serbia including Kosovo, as defined by the United Nations Security Council Resolution 1244 of 10 June 1999 and repealing Decision 2006/56/EC². Herewith, one of the key short-term priorities is to: *"Continue efforts to implement the reform of the public administration, ..., to ensure transparent recruitment and promotion as well as professionalism and accountability, ... improve coordination throughout the public administration ... and pay particular attention to policy coordination."* Likewise, this Project continues with activities that are in line with one of the EP medium-term priorities, i.e. to: *"Continue full implementation of civil service and public administration laws, implement measures to develop human resources in the civil service, strengthen the policy-making and coordination capacity of the public administration..."*

Stabilization and Association Agreement

Chapter VIII – Within the Cooperation Policies, the SAA highlights in general a need to enhance educational and training level in Serbia (Art. 102) which is, in the scope of this Project. Article 114. dedicated to Public Administration emphasizes that the cooperation between EU and Serbia: *"shall aim at ensuring the development of an efficient and accountable public administration in Serbia, notably to support rule of law implementation and the proper functioning of the state institutions for the benefit of the entire population of Serbia and the smooth development of the relations between the EU and Serbia. Cooperation in this area will mainly focus on institution building, including the development and implementation of transparent and impartial recruitment procedures, human resources management and career development for the public service, continuous training and the promotion of ethics within the public administration. Cooperation shall cover all levels of public administration..."*

The SAA article 105 on Information society stipulates that *"the Parties shall also cooperate with a view to further developing the Information Society, prepare society as a whole for the digital age, attracting investments and ensuring the interoperability of networks and services."*

National Program for Integration of the Republic of Serbia into the EU³

The project proposal is in line with Chapter 4., and in particular subtitle 4.1. of the NPI.

2.4 Link with MIPD

The proposed project is compatible with the basic guidelines/priorities for programming presented in the MIPD 2009-2011. In section related to Political Criteria, heading 2.3.1.1. strategic Objectives and Choices under 2) are as follows: *„Improving the performance of Serbia’s public administration at all levels ... to foster democratic governance and public*

² Official Journal L 80 of 19.3.2008

³ Adopted in October 2008 by the GoS

service to all people in Serbia. Making further sustained efforts to implement the reform of the public administration, including the civil service pay system, to ensure transparent recruitment, professionalism and accountability specially of the senior civil service; in particular strengthen the European integration structures (including line ministries and the parliaments), and improve cooperation among them. Assist Serbia's efforts to combat corruption and to depoliticize its public administration. Improved central training structures for the civil service. “

2.5 Link with National Development Plan:

N/A

2.6 Link with national/ sectoral investment plans:

Strategy for Public Administration Reform (PAR)

According to the Strategy for the PAR (adopted by Government of the Republic of Serbia in November 2004.), the main objectives that Serbia plans to achieve through the public administration reform are the creation of a democratic state based on the rule of law and creation of a public administration directed towards the citizens. In reaching these goals, the Strategy identifies five basic principles of the reform which represent the main operating course in the reform process. Principles of decentralization, de-politization, professionalization, rationalization and modernization of Serbian PA should lead the way towards the fulfillment of the main objectives of the reform which essentially means to harmonise Serbian PA with the principles of the "European public administration space"⁴.

This document defines the general guidelines for the implementation of ICT to build up into the basis of a complete public administration reform. It also sets the government's will to harmonize the laws in the area of information technologies with the *acquis*.

The Strategy of Public Administration Reform marks the first official use in a governmental document of the term "e-Government". This document identifies e-government as one of the main instruments for the increase in efficiency and accuracy of public administration, as well as an instrument for the rationalization of public administration measures.

The first Action Plan for implementation of the PAR Strategy covered the period 2004-2008. The Draft Action Plan for the period 2009-2013 is prepared by Ministry for Public Administration and Local Self Government through a wide consultative process which involves all PA bodies and stakeholders. It is planned that the Government will adopt the new Action plan by the end of 2009.

Strategy for the development of Information Society in the Republic of Serbia

This strategy highlights the importance of Serbia embedding ICT in all national development strategies. The document quotes the e-Europe Action plan in terms of using e-Government to "bring public administration closer to citizens and economy through the provision of modern public services by internet"⁵. To this end, the document stresses that the reform of public administration based on a wide usage of ICT is a key element of the entire transition of the Republic of Serbia.

⁴ As defined by SIGMA: „Shared principles of public administration among EU Member States constitute the conditions of a “European Administrative Space” (EAS). The EAS includes a set of common standards for action within public administration which are defined by law and enforced in practice through procedures and accountability mechanisms.“

⁵ *Strategy for the development of Information Society in the Republic of Serbia*, 2006, published in the *Official Gazette RS* no. 87/2006

3. DESCRIPTION OF PROJECT

3.1 Background and justification

The improvement of public administrative capacities in Serbia represents one of the key criteria for EU membership. The overall objective of the PAR process is that Public Administration in Serbia complies with the principles of the common 'European Administrative Space'. Recognising the scale of this challenge the Ministries for Public Administration and Local-self Government (MPALSG), the Ministry of Telecommunications and Information Society (MTIS), and the Human Resources Management Service (HRMS) has developed this project in order to develop an inter-institutional and coordinated approach to push forward the PAR process in Serbia. This project is designed to facilitate public service reform and innovation at all levels of government, institutionalise and scale up process innovation, promote collaboration across boundaries, engage more stakeholders and disseminate best practices, thereby achieving real transformation in public sector performance.

In November 2004, the Government of the Republic of Serbia adopted the Strategy of Public Administration Reform which has represented the framework for planning and implementation of all related reform activities. The Council of Public Administration Reform, is responsible for the strategic management of the PAR process. The Council includes the Prime-minister, vice Prime-Ministers, Ministers having authority for different aspects of the PAR, and the Director of the HRMS. At the operational level, the Ministry of Public Administration and Local Self – Government (MPALSG) is responsible for the implementation of the public administration reform (PAR) and for the effective coordination of all stakeholders involved in this process.

The new Law on Ministries, adopted in 2008, broadened the competences of the MPALSG to involve all tasks related to the PAR process. These competencies include tasks related to the public administration system, organization and functioning of ministries and special organizations, labour relations in state bodies as well as training of employees in public administration bodies. Within this enlarged scope of responsibilities, the conditions are created for overcoming the former uncertainties related to *de facto* authority of the MPALSG to manage the implementation of the PAR activities. Furthermore, the MPALSG has initiated a number of steps in order to intensify the PAR process, wherewith it took over the role of a holder of the reform process on the operational level. This proactive engagement of MPALSG and the reform process as a whole, will further gain in quality, thanks to partnerships and joint activities with other institutions, which are by their operational engagement essentially interlinked with MPALSG. The primary partnership is with the Human Resources Management Service (HRMS), which on the operational level is in charge of implementing the majority of the reform activities concerning the civil service system. Another key institutional partnership is with the European Integration Office (SEIO) dealing with the coordination of the European Integration (EI) process and associated human resource development. Importantly, the experience gained during the implementation of the Project for the Annual Operational Planning (GOP) and regular GOP related consultation and reporting by MPALSG towards the General Secretariat, will contribute to the successful implementation the further PAR phase. The Serbian administration has also supported initiatives to introduce the benefits of ICT and e-governance in the reform process. The Serbian administration has recognised the importance of ICT in changing the way government performs its functions and reduces operational costs. At the same time ICT can increase the efficiency of government services as well as transparency and accountability.

This project, implemented within the scope of the IPA 2010 National Program, will be of crucial importance for obtaining concrete results envisaged by the reform agenda for the public administration and for defining further courses of action. The project will provide support directly to those institutions that will carry the major burden of management and the implementation of key aspects of PAR: the first phases of personnel selection and career management for civil servants, which is for the time being mostly under the auspices of the HRMS; the procedures of prioritization and coordination of organizational and legislative activities in line with the revised Action Plan of which the MPALSG will be in charge; and the development of the infrastructure for the exchange of information on the national level, on the local level, and between the national and local level via the use of e-Government services (where responsibility is primarily divided between MPALSG and MTIS).

The combination of public administration reform, with improved performance by civil servants and the use of e-government tools will serve to transform the delivery of public services. The outputs envisaged by this project means that citizens will not have to physically go from one government department to another, as it is usual today, wasting time and money collecting required documents in order to submit an administrative request. Moreover, citizens will be able access information immediately about the current processing stage of their administrative requests.

The preparation of the new Action plan for implementation of PAR for the period 2009-2012 is in its final phase. The MPALSG has prepared an overview of the implementation of the Action Plan and Strategy document for the period 2004-2008, which forms the basis for defining the next stage of reform activities. In preparing the overview of PAR outputs to date, 35 interviews with representatives of various PA bodies and other stakeholders were carried out. This document will be used as a working document by the Council of Public Administration Reform, MPALSG and of all other PA bodies in the process of finalising the new Action Plan for PAR.

Specifically, the overview demonstrates that different areas of PAR did not progress at an equal pace and that in a number of cases there was significant deviation between the actual PAR achievements and the initial plans. The PAR Action Plan 2004-2008 envisaged the adoption of ten new laws, to date eight of these laws have been adopted but with some considerable delay. The adoption of these laws, in accordance with principles of European Administrative Space, has created a new regulator framework for PA and the civil service system in Republic of Serbia (Law on Government, Law on Public Administration, Law on civil servants, Law on pay system in civil service.). Under this framework, the control mechanisms for setting up an open and accountable public administration are being established (Law on Ombudsman, Law on free access to the information of public importance, Law on prevention of conflict of interests). The only outstanding laws to be adopted are the Laws on administrative procedures and administrative disputes and these are scheduled for the Government work plan for 2009. (these laws should enter into force before the beginning of the proposed Project).

While much has been achieved on the regulatory framework, the overview of the implementation of the Strategy and the Action Plan underlined the minimal improvement in the area of modernization of public administration in the period 2004-8, especially with the implementation of e-Government which is crucial for provision and delivery of efficient and modern services to the citizens. e-Government is the transformation of public sector internal and external relationships using technology to optimise government service delivery, constituency participation, and governance. Reflecting the objectives of the European Commission's **"i2010 eGovernment Action Plan: Accelerating eGovernment in Europe for the Benefit of All"**, the Serbian government is aware that countries that score high on

public-sector openness and E-Government readiness are also high on economic and competitiveness scoreboards. With E-Government public administrations can make a major contribution to the Lisbon Agenda. Equally the European Commission's Action plan stresses the importance of accelerating eGovernment with a view to modernisation and innovation due to the major challenges of ageing populations, climate change and citizens demanding better bureaucracy and better services from their public servants.⁶

The overview of the PAR process to date had underlined the relationship between transforming regulatory and policy reform into efficient public service delivery and the important role of e-government in this process. As such a special Working group for e-Government was established comprising representatives of MPALSG, MTIS, Ministry of Interiors, Tax Administration, Republic Statistical Bureau, National Information Technology and Internet Agency, Administration for Common Affairs of the Republic Bodies and General Secretariat of the Government.⁷ The assignment of this Working group is to plan and coordinate the implementation of PA bodies' activities in the area of e-Government under the overall PAR process.

The reform and modernization of public administration based on a wide use of information and communication technology (ICT) represents one of the key elements of the overall transition of Serbia into a modern information society. ICT has the potential to transform the government and public service provision. Modern information systems enhance the quality and improve the efficiency, transparency, accountability and effectiveness of the government. The modern ICT infrastructure allows information to flow across the public sector and can provide citizens and business with better access to government services and at a lower cost. Speeding up administrative procedures and reducing business operation costs creates a better business environment particularly for the SME sector. The possibility of all citizens being able to electronically access public services, participate in decision-making processes and oversee government activities contributes to the wider democratization and improvement of the government-citizen relationship, as well as to the fight against corruption.

To realise this potential, the government therefore has to adopt ICT means and ICT based methods in all branches and levels of the public sector (national and local). Only such an ICT-enabled public administration oriented toward citizens and businesses (e-Government) provides an environment that can adequately address needs and challenges of the future information society and the knowledge based economy. The overall objective is to create and implement solutions that will enhance the exchange of information between the national and local levels of Public Administration. For this to be successful, the Public Administration services should be fully accessible on line (levels 3, 4, 5 of sophistication should be reached), client oriented (security of personal data, decrease of administrative barriers, multichannel access to services, accessibility standards established) and available at a national portal.

As well as progress on the regulatory/policy environment and the importance of exploiting the benefits of e-Government, the overview of the PAR to date also identified the necessity of further improvement of the Human Resource Management System of the Serbian Public Administration. Following the adoption of the Civil Servants Act, the Human Resources Management Service (HMRS) was established in December 2005 as a central governmental body in charge of professional tasks related to managing personnel in public administration.

⁶ European Commission Communication of the Council – "i2010 eGovernment Action Plan: Accelerating eGovernment in Europe for the Benefit of All" {SEC(2006) 511 }

⁷ Working group for e-Government was established by Minister of Public Administration and Local Self-Government in accordance with Government's decision on revision of Action Plan for PAR Strategy implementation (05 nr: 020-5015/2008 from 20th November 2008.)

The Civil Servants Act details the recruitment procedures and preconditions for promotion in the public administration system which is overseen by HRMS. The MPALSG in partnership with HRMS is currently carrying out the preparatory activities for a Project (to be financed under Norwegian development assistance) which will deal with improvement of the system for training of civil servants and newly employed staff in public administration. However more comprehensive support is required to deal with the setting up and implementation of an integrated public servant recruitment, training and career development system.

Following the above outputs to the PAR overview to date this project will focus on the provision of technical assistance and support in the following key areas:

1. The good management of the PAR implementation,
2. Support to specific public administration bodies in the implementation of PAR activities
3. Further improvement of the institutional framework for the training of Civil Service including new civil servants
4. Further improvement of the HR recruiting system and the introduction of a systematic planning approach for civil service career development
5. Support to the implementation of E-Government including development of the e-Government portal and improvement of public services through connecting existing and establishing new services at national and local levels.

The first three areas are mainly under the responsibility of MPALSG.

The improvement of HR recruiting system (4th area), touches upon the competencies of HRMS and concerns the necessity to further improve issues of recruitment and employment of the personnel. This has been highlighted by European Commission Annual Reports as a key weakness in Serbia Public Administration system. For example, civil servants do not retain their positions when a new government is installed. Equally, it is difficult to attract new civil servants and retain existing ones if their career perspective is not clear and transparent. An important challenge facing HRMS is to enforce measures and activities to attract experienced personnel to PA, to promote the reputation of the PA as a desired employer, and promote the PA employment positions in general. HRMS will perform an important intermediary function in harmonizing individual needs for career advancement with the needs of public administration authorities, i.e. ensure that individual developmental goals serve the reform process of the public administration as a whole.

On the last area, e-government, competencies are shared between the MPALSG and the MTIS.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

3.2.1. Assessment of project impact

The performance of PA bodies influences all aspects of Serbian society. Improvements in the system by adjusting its' operations to new challenges and needs, will have tangible outputs for both individual users and legal entities. There are two main overall directions/objectives of public administration improvement in Serbia which are being supported by this project: the first is the improvement of quality of services for citizens and the second is the creation of an adequate environment in PA system in Serbia for EU membership.

The outputs of this project will provide up-to-date methodological and operational tools that will be elaborated in cooperation with, and will be tailored for, - the domestic administration. This will be reflected firstly, in gaining skills in coordination, monitoring, evaluation and

promotion of reform processes in PA; secondly, in familiarizing with standardized structure of strategic documents and action plans, thus in significant time savings, etc. Along with creating preconditions for better quality of services for citizens, the project will introduce changes in the working environment of civil servants including:

- Measures within the Project, aimed at attracting, recruiting and retaining quality staff, will improve the practice of public service by creating well trained, responsible and efficient civil servants. Increased transparency in the job filling procedures will lead to strengthening the image of PA as a modern, equal opportunities employer making it transparent, fair and more attractive for employment and better positioned in the labour market.
- Long term it will influence the employee structure in public administration, increase the number of highly skilled, motivated, committed and stable personnel thus strengthening its administrative capacities.
- A system of continuous, systematic career planning is significant support to the development of individual potentials of employees and represents one of the major aspects of strategic personnel management. In this way, public administration would make better use of human resources, decreasing staff turnover and absenteeism.
- The use of e-Government services by civil servants will lead to the improvement of efficiency of public administration capable to respond to the needs of the citizens and businesses, to increase accountability, transparency and lower corruption in public administration in Serbia.

3.2.2. Catalytic effect

Enhancing the level of competence across the PA and improving the delivery of government services will be an important step on Serbia's path towards the EU membership. The project fiche preparation process has already created close working relations between the MPALSG, MTIS and HRMS. Given the central beneficiary position of the MPALSG in the scope of the project, the project's delivery will be built on strong horizontal and vertical linkages. The project will be linked with on-going actions in local government and municipal support, which will facilitate the spill over of successful solutions and practices.

As this Project will be carefully coordinated with all the simultaneous activities leading to introducing the e-Government concept (particularly through a Special Working Group, established by MPALSG, comprised of representatives of all relevant PA bodies) and establishing the needed infrastructure by the Ministry of Telecommunications and Information Society, improvements are to be expected in the dynamics of information flows, savings in time and in ensuring better availability of data throughout the administrative services. The Project will enable reductions in budgetary expenditures through improved planning tools, reducing the number but increasing the performance of the civil servants.

The project will contribute to an effective e-Government involving the reorganization of institutions and processes, and changing behaviour so that public services are delivered more efficiently to the people who need to use them. E-Government enables all stakeholders to carry out their business with the Government more easily, more quickly and at lower cost. New business processes, different information flows, changed policies, advanced security measures, and new data management methods are all part of the process of government transformation. Employment of information and communication technologies in public services and the e-Government development will strongly support the PAR process, improve citizens' services, increase efficiency of transactions, improve effectiveness and facilitate improved economic development.

E-government has multi sector implications in terms of improved service delivery including health, education, environment, trade, and customs. For example business and industry are concerned with the cost of setting up a business. A significant component of this cost is the administrative permissions and license that must be obtained to establish and operate a business. Electronic delivery can lead to quick turnaround of license applications and to an overall reduction in costs.

3.2.3. Sustainability

Practically all Project's results envisage strong involvement of civil servants whether they concern directly the principal beneficiaries or other PA bodies that will be subject to horizontal and vertical functional reviews and pilot exercises. Know-how will be transferred to civil servants while performing daily tasks and the sustainability of the achieved outcomes will be guaranteed in maintaining the jointly produced strategic documents, action and annual operational plans, training programs and analytical studies and guidelines, interoperability and safety standards.

Furthermore, once the adequate software, hardware, equipment, measurement tests and multimedia solutions (connection to e-Government portal, upgrading the internet portal for trainings and internet portal for jobs announcement, system for the management of the trainings, etc.) are provided, they will become the daily operational facilities and tools for the government institutions in question. These institutions, in return, will ensure that the employees are trained to use and maintain the purchased goods, regularly update Internet portals, etc.

In terms of financial sustainability the Ministry for Public Administration and Local-self Government (MPALSG) and the other key line ministries will make the necessary budgetary commitments to ensure that the outputs of this project has the necessary financial and human resource capacities for full implementation.

With regard to cross border impact, although nationally tailored, the project takes into consideration comparative experiences of the neighbouring countries of the Western Balkans region. In particular, the Regional School for Public Administration (ReSPA) is the platform for the regional dialogue regarding the accession driven PAR and the third result of the Project builds upon the concept of a compatible institutional framework in the countries of the region.

3.3 Results and measurable indicators

There are five envisaged results for this Project:

- Result 1. Improved mechanisms for the implementation of the PAR Strategy
- Result 2. Organisational reengineering to improve the work and efficiency of PA bodies in accordance with the PAR Strategy, its implementation plans and European integration and SAP requirements
- Result 3. Improved institutional framework for the training of civil servants in PA;
- Result 4. Improved system of recruiting personnel and introduction of systemic planning for civil servant career development
- Result 5. Implementation of activities related to the development of an e-Government system

Result 1. Improved mechanisms for the implementation of the PAR Strategy

Indicators

- Review report of PAR Strategy Action Plan
- Review report of Institutional Framework and mechanisms to Deliver Action Plan
- Number of project monthly and quarterly reports
- Mid-term revision of the PAR Action plan in force, in particular as related to coordination, monitoring and evaluation mechanisms/reports
- Number of presentations/workshops on PAR to wider public and specific target groups.
- Number of operational Tests/Assessments of PAR Strategy coordination, monitoring, reporting, evaluation and promotion mechanisms.

Result 2. Organisational reengineering to improve the work and efficiency of PA bodies in accordance with the PAR Strategy, its implementation plans and European integration and SAP requirements

Indicators

- Number of functional reviews of public administration bodies (Fit for Purpose)
- Number of new organisational configurations developed for PA bodies.
- Number of Training Modules Delivered
- Number of strategic documents prepared in accordance with Methodology for preparation of strategic documents
- Number of PA bodies that are using adequate methodology for preparation of annual operational plans.

Result 3 Improved institutional framework for the training of civil servants in PA;

Indicators

- Number of policy reviews and gap assessments of existing Training Institutional Framework.
- Number of new institutional configurations for Training delivery designed
- Number of Training needs assessments and methodologies
- Number of Capacity building programme for actors within institutional framework
- Number of trainings for trainers organized and delivered
- Number of trainings for staff of institutional framework organised and delivered.

Result 4. Improved system of recruiting personnel and introduction of systemic planning for civil servant career development

Indicators

- Reviews of existing civil servant recruitment and career development systems
- Number of civil service recruitment and career development systems options designed
- Number of visits to HRMS internet portal,
- Number of organized seminars, information workshops on PA careers
- Number of promotion material on PA careers delivered and distributed,
- Number of qualified civil servants recruited
- Decrease in highly qualified civil servants leaving the service
- Decrease in young civil servants leaving the service.

Result 5. Implementation of activities related to the development of an e-Government system

Indicators

- Number of activities within PAR Strategy related to e-Government supported and implemented,
- Number of citizens using electronic services increased,
- Flows of information exchange and inter-ministerial communication increased
- Flows of information exchange between central and local governments increased
- Number of questionnaires distributed and evaluated on improved quality levels of public services with new e-government system

3.4 Activities

Result 1. Improved mechanisms for the implementation of the PAR Strategy

- 1.1. Conduct a functional analysis of the previously established/ existing mechanisms for coordination, monitoring, reporting, evaluation and promotion of the PAR Strategy and Action Plan implementation,
- 1.2. Produce a proposal for improvement of mechanisms for coordination, monitoring, reporting, evaluation and promotion of the PAR Action Plan implementation in line with the functional analysis findings,
- 1.3. Prepare and implement training programmes for all the participants in the process of coordination, monitoring, reporting, evaluation and promotion of the PAR Action Plan implementation,
- 1.4. Conduct evaluations of the PAR process annually, semi-annually and mid-term (after two years of implementation)
- 1.5. Promote the PAR process with key stakeholders and the public, develop a media campaign and materials in Serbian and minority languages on e-Government, organizing workshops on the local level to introduce citizens to e-Government (municipalities, schools, universities, NGO's) and organising workshops and information seminars for stakeholder groups and wider public.
- 1.6. Provide support to developing an internet portal dedicated to the PAR process in Serbia.

Result 2. Organisational reengineering to improve the work and efficiency of PA bodies in accordance with the PAR Strategy, its implementation plans and EU standards, European integration and SAP requirements

- 2.1. Establish teams for conducting functional reviews (horizontal/vertical) in PA bodies with the emphasis on the requirements arising from the EU integration process.
- 2.2. Adapt the structure of PA system and the organizational structure of selected PA bodies in accordance with the recommendations derived from the conducted functional review,
- 2.3. Provide support for creating and delivering a tailored methodology for preparation of strategic documents to be adopted by Government,
- 2.4. Provide support to build the process of annual operational planning in PA bodies,
- 2.5. Prepare and conduct training for employees in PA bodies and Government Services on using the methodology for preparing strategies action plans, annual operational plans, coordination of sector policies and Government strategies,
- 2.6. Organize study visits to selected EU member states for selected PA bodies' civil servants.

Result 3. Improved institutional framework for the training of civil servants in PA;

- 3.1. Carry out a Training Needs Analysis (TNA) in all PA bodies and develop an appropriate institutional model to deliver the training.
- 3.2. Produce detailed training programs and textbooks (translated) for institutions dealing with civil service training, along with the agendas for individual courses and internships in PA bodies,
- 3.3. Prepare and implement training programs for the Institution's employees (*capacity building*) and for the Institution's trainers (*training of trainers*),
- 3.4. Design and Develop a Management Information System with portal for the institution managing the training process
- 3.5. Establish programs of cooperation with the related institutions in the EU and in the region and organise study visits.
- 3.6. Conduct promotional activities with an aim of acquainting civil servants with the new training system (promotional materials, events, etc).
- 3.7. Procurement of additional technical equipment needed for efficient functioning of the institution responsible for managing the civil servants training process.

Result 4. Improved system of recruiting personnel and a systemic planning approach to civil servant career development introduced

- 4.1 Review and support in improvement of the existing civil service recruitment and career development systems including its legal framework
- 4.2 Analysis of trends in movement and career path of public administration personnel, analysis of possibilities and conditions for career development of civil servants
- 4.3 Design new systems for civil service recruitment and career development
- 4.4 Organize workshops, round table discussions, information seminars and material to promote employment in public administration to potential employees,
- 4.5 Establishing an Internet portal with multimedia contents to present job positions in public administration authorities,
- 4.6 Procurement of measurement tests for assessing abilities, interests and motivation of civil servants for HRMS
- 4.7 Training of the personnel in the HRMS for human resource planning and personnel assessing, as well as training of HRM units of public administration authorities in managing civil servants' career.

Result 5. Implementation of activities related to e-Government

- 5.1. Provide technical assistance to the Special working group for development of e-Government (concretization of activities – midterm revision of the Action Plan for Public Administration Reform Strategy, legislation gap analysis and legislative drafting)
- 5.2. Define a set of minimum standards for interoperability in the Serbian PA based on comparative experiences of other countries in the area of e-Government
- 5.3. Carry out gap analysis on data exchange standards in PA and conduct pilot project related to establishment of electronic citizens data exchange between relevant PA institutions (as for example the Ministry for internal affairs - MIA)
- 5.4. Training needs analysis and training of Serbian government (central/local) staff on the use of e-Government services
- 5.5. Support implementation of service for data distribution between relevant PA institutions and connect e-Government portal with information system in MPALSG,
- 5.6. Enhancing e-Government portal containing service directory, identity and single logon service, e-forms service, payment service monitoring and quality assurance procedures

5.7. Support the establishment of the appropriate communication, hardware and software infrastructure necessary for provision of e-services (such as virtual machine service or similar hardware infrastructure, interfaces for data exchange, communication links etc),

5.8. Implement adequate software application for establishment of basic public service, “Certificates (birth, marriage): request and delivery” on sophistication level 4 – “Complete electronic data processing” for the whole territory of Serbia,

5.9. Create three e-Government services for citizens listed among the twenty priority services,

The Project will be implemented through three service contracts and one supply contract.

One service contract for Results 1, 2 and 3 - Improved mechanisms for the implementation of the PAR Strategy (coordination, monitoring, reporting, evaluation, promotion), organisational reengineering to improve the work and efficiency of PA, and improved institutional framework for the training of civil servants in PA (1.7 Million Euros)

One Service contract for Result 4 - Improved system of recruiting personnel and a systemic planning approach for civil servant career development introduced. (1 Million Euros).

One service contract to support implementation (supervision) and public promotion of the technical infrastructure component of Result 5 Implementation of activities related to e-Government and to support civil service professional training. (1.3 Million Euros)

One Supply contract for hardware to support E-Government capability and civil service professional training (2.5 Million Euros). The required software will be funded through national co-funding. (2.5 Million)

3.5 Conditionality and sequencing:

- Strong political commitment and leadership by government to implement the PAR Action Plan and e-Government in Serbia
- The finalisation and adoption by the Serbian administration of the Action Plan of the PAR Strategy 2009-2012.
- The Preparation and adoption by the Serbian Administration of the Strategy for Training of Civil Servants
- The allocation by the Serbian administration of the necessary budget and human resources to realise the objectives of this project.

As far as sequencing is concerned the implementation of the supply contract will be sequenced with the support to technical infrastructure service contract

3.6 Linked activities

To date, the main support to the PAR implementation has been provided through the Project “Support to the Strategy of Public Administration Reform in the Republic of Serbia – Second Phase” that is being implemented by MPALSG in cooperation with the UNDP as the implementing partner and under donor support of the Swedish International Development Cooperation Agency (Sida) and the UK Department for International Development (DfID).

In terms of management of human resources in the Serbian PA, a substantial contribution is made within the HRMS DIAL CB Project “Complementary Services to Technical Assistance for the Preparation and Implementation of Administrative Legislation – Phase 2 - Republic of Serbia”. The project contributes to the PAR process by: updating the legislative/legal component of the adopted PAR Strategy and assisting in the finalization of the new administrative legal framework. The project is financed under EU CARDS program.

Likewise, in the area of personnel selection, the HRMS is currently implementing a project entitled “Improvement of the Personnel Selection Process in Public Administration Authorities”, which is financially supported by the Royal Norwegian Ministry of Foreign Affairs from the budget for 2007. The project envisages improvement of the existing and adoption of new methodology for the process of personnel selection in public administration, as well as strengthening the capacity of employees doing the tasks of personnel selection in order to be able to conduct the process of personnel selection more efficiently and effectively.

The project “Automation of the Vacancy Filling Process in Public Administration”, which is also financed by the Royal Norwegian Ministry of Foreign Affairs from the assistance package for 2008. The project deals with improving the process of personnel selection in public administration by modernizing the vacancy filling process through automation of work functions.

The European Integration projects “Strengthening capacities of Serbian Administration for EU integration” and “Serbia and the EU – Preparing for the EU Accession” funded by Norwegian aid.

The Municipal Support Programme (MSP, 22 million EUR), under IPA 2007, through the component Good governance - planning & service delivery provides will support functional analysis and organisational review of local government in Serbia, within the context of the existing and evolving legal framework, and the experience of EU member states and others. In addition, MSP will focus on strengthening HRM units in municipalities and continue to work on producing strategic documents in line with the newly developed LSDS methodology under EXCHANGE II. MSP will also address issues of municipal financing and approximately 10m EUR will be allocated for the grant scheme under EXCHANGE III, covering the whole of Serbia.

The USAID-funded Serbian Local Government Reform Programme 2001-2006 supported 70 municipalities to improve municipal management and capacity in the following areas: Citizen Participation, Information Technology, Financial Management, Communal Enterprise Management and Public Procurement. It also worked at the national level to support the institutional development of the Standing Conference of Towns and Municipalities and to support policy reform, specifically in the area of government decentralization.

The recently launched World Bank project, “Delivery of Integrated Local Services (DILS)”, is designed to promote the delivery of local services in social protection, health, education and fiscal management in a decentralized environment. (40 Million USD)

The CARDS 2006 and IPA 2007 Project Preparation Facilities are designed to support the Serbian Administration in preparing the annual programmes and project pipelines to successfully utilise IPA funding.

3.7 Lessons learned

- The Public Administration System remains disjointed and fragmented despite various initiatives implemented to date. Further efforts are needed towards policy coordination as well as the uninterrupted support for the implementation of the PAR Action Plan and for monitoring and evaluation of the PAR Strategy implementation. The partnership based approach in this project between the Ministry for Public Administration and Local-self Government (MPALSG), Telecommunications and Information Society (MTIS), Human Resources Management Service (HRMS) is a direct response to this experience.
- The Serbian administration has a strong track record in developing Strategic Documents and Action Plans but does not apply sufficient resources to their full implementation. This project is demanding and requires strong political, resource and time commitments by the key beneficiaries. E-government is not only about applying technology but also re-inventing a public administration's way of doing business.
- The efficiency and the effectiveness of the performance of the PA bodies is directly dependent on an encouraging working environment for civil servants, developed retention policy and from the political commitment to the PAR objectives.
- The modernization of working practices in PA is an absolute requirement, including the full implementation of e-government capabilities, if Serbia is to compete internationally and meet the public administration demands of European Union membership. The implementation of e-government actions is key to realising the PAR objectives. The Serbian administration is committed to moving from front-end electronic delivery of public services to fully integrate e-Government in the PAR process and the overall public administration institutional framework. The ongoing financial crisis has further underlined the need for Serbia to rapidly and comprehensively implement the PAR process. More and more demands are being made on limited public sector resources such as increased demands for social services.
- For e-Government programmes to be successful a genuine inter-activity amongst government agencies is needed. There must be interoperability of services, not a separate e-Gov agency. A key lesson from EU experience is that putting public services online is not enough to achieve efficiency gains, on line processes complement and do not replace off-line processes. Finally, specific training and increased digital literacy is required by both operators and users.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	% (2)	Total EUR (c) = (x)+ (y) + (z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Service contract 1	X	–	1,700,000	1,700,000	100%							
Service contract 2	X	–	1,000,000	1,000,000	100%							
Service contract 3	X	–	1,300,000	1,300,000	100%							–
Supply contract 1	–	X	5,000,000	2,500,000	50%	2,500,000	50%					–
TOTAL IB			4,000,000	4,000,000	100%							
TOTAL INV			5,000,000	2,500,000	50%	2,500,000	50%					
TOTAL PROJECT			9,000,000	6,500,000	72%	2,500,000	28%					

* expressed in % of the Total Cost.

5. Indicative implementation schedule

Contracts	Start of Tendering	Signature of contract	Contract completion
Service Contract 1	N + 1Q	N + 4Q	N + 11Q
Service contract 2	N + 1Q	N + 4Q	N + 11Q
Service Contract 3	N + 2Q	N + 5Q	N + 11Q
Supply contract 1	N + 2Q	N + 4Q	N + 6Q

6. Cross cutting issues

6.1 Equal Opportunity

Questions of equal opportunity in relation to employment, training and promotion of civil servants are a core issue in the context of the PAR. The commitment of the Government of Serbia to respect differences and the principle of equal opportunity for all citizens regardless of their gender, religion, race, nationality, etc., has been reiterated within the Code of Conduct for Civil Servants, adopted in February 2008. This Code also makes a part of the legal framework for the Project, and it will seek to achieve “open to all“ principle by promoting complete availability of information concerning all aspects of work in PA as well as detailed information about recruitment procedures.

6.2 Environment

The Project will be implemented in a way that is as environmentally friendly as possible and this in particular includes the use of re-cycled paper. The software and the equipment within the fifth result are compatible with the e-Government concept of the decrease of paper usage and associated environmental costs.

6.3 Minorities and vulnerable groups

In line with the principle of equal opportunity, the Code of Conduct promotes the behaviour of the Serbian administration which will particularly pay attention to beneficiaries of the PA services should they suffer the invalidity or any other kind of vulnerable exposures. The Project will fully promote this kind of appreciation in delivering public services.

ANNEX I: LOGICAL FRAMEWORK MATRIX

Logical Framework Matrix for Project Fiche	Programme name and number: ‘Support to implementation of Public Administration Reform process’		
	Contracting period expires: 2 years after signature of FA		Disbursement period expires: 5 years after signature of FA
	Total budget : 9.000.000 EUR		IPA budget : 6.500.000 EUR
LOGICAL FRAMEWORK			
Overall objective	Objectively verifiable indicators	Sources of Verification	
To improve the public administration system in the Republic of Serbia in accordance with the requirements of the EU integration process by applying the principles of the “European Administrative Space”.	<ul style="list-style-type: none"> • Level of accomplishment of goals defined by Public Administration Reform Strategy and National Plan for Integration of Serbia in EU for period until 2012, • EC annual progress report for Serbia contains positive conclusions on PAR in Serbia. 	<ul style="list-style-type: none"> ➢ EC annual progress reports for Serbia, ➢ Government’s progress reports on EU accession; ➢ Conclusions and reports of Council for PAR, 	
Specific objective	Objectively verifiable indicators	Sources of Verification	Assumptions
Contribute to the successful implementation of Public Administration (PA) reform through the implementation of activities envisaged in the PAR Action Plan (2009-2012) related to PA efficiency, civil service recruitment, career development, training and e-Government.	<ul style="list-style-type: none"> • Key activities from the Action Plan for Implementation of PAR Strategy 2009. – 2012., planned for the period of implementation of the project are carried out, • All key stakeholders responsible for implementation of AP have capacities for implementation. 	<ul style="list-style-type: none"> ➢ Strategy for PAR in Serbia and its Action Plan for 2009. – 2012, ➢ Document of analyses on functioning of established coordination mechanisms ➢ Annual and semi-annual evaluations of PAR process ➢ Progress reports for the project, ➢ Conclusions and reports of Council for PAR, ➢ Annual report of MPALSG. 	<ul style="list-style-type: none"> ➢ Action plan for Strategy Implementation is realistic and feasible under current circumstances and within available resources; ➢ Political and economic situation in Serbia is stabile (no pre-term elections or significant reduction of resources for implementation of Action Plan); ➢ Active participation of key public administration bodies in project activities (HRMS, SEIO, Ministry for Telecommunications and Information Society, General Secretariat of Government, etc).

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Result 1. Improved mechanisms for the implementation of the PAR Strategy	<ul style="list-style-type: none"> • Review report of PAR Strategy Action Plan • Review report of Institutional Framework and mechanisms to Deliver Action Plan • Number of project monthly and quarterly reports • Mid-term revision of the PAR Action plan, in particular as related to coordination, monitoring and evaluation mechanisms/reports • Number of presentations/workshops on PAR to wider public and specific target groups. • Number of operational Tests/Assessments of PAR Strategy coordination, monitoring, reporting, evaluation and promotion mechanisms. 	<ul style="list-style-type: none"> • Document of analyses on coordination, monitoring and evaluation of implementation of AP • Annual and semi-annual evaluations of PAR process • PAR process opinion surveys. 	<ul style="list-style-type: none"> • Key stakeholders involved in implementation of AP are dedicated and capacitated to carry out this process.
Result 2. Organisational reengineering to improve the work and efficiency of PA bodies in accordance with the PAR Strategy, its implementation plans and European integration and SAP requirements	<ul style="list-style-type: none"> • Number of functional reviews of public administration bodies (Fit for Purpose) • Number of new organisational configurations developed for PA bodies. • Number of Training Modules Delivered • Number of strategic documents prepared in accordance with Methodology for preparation of strategic documents • Number of PA bodies that are using adequate methodology for preparation of annual operational plans. 	<ul style="list-style-type: none"> • Reports on activities of public administration bodies within the Government's regular progress reports, • Annual operative plans of public administration bodies, • Conclusions and reports of Council for PAR, • Annual Operational Plans of the PA bodies. 	<ul style="list-style-type: none"> • Commitment of senior officials in public administration to implementation of new instruments for organizational and efficiency improvement • Commitment of civil servants involved in implementation of specific activities
Result 3 Improved institutional framework for the training of civil servants in PA;	<ul style="list-style-type: none"> • Number of policy reviews and gap assessments of existing Training Institutional Framework. • Number of new institutional configurations for Training delivery designed • Number of Training needs assessments and methodologies • Number of Capacity building programme for actors within institutional framework • Number of trainings for trainers organized and delivered • Number of trainings for staff of institutional framework organised and delivered. 	<ul style="list-style-type: none"> • Program for training of civil servants and employees • TNA report • Evaluation forms from trainees. 	<ul style="list-style-type: none"> • Overall organizational structure for management of training of civil servants and new employees is established.
Result 4. Improved system of recruiting personnel and	<ul style="list-style-type: none"> • Reviews of existing civil servant recruitment and career development systems 	<ul style="list-style-type: none"> • Contracts signed with foreign and local consultants, 	<ul style="list-style-type: none"> • Interest in cooperation from all the consultants

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
introduction of systemic planning for civil servant career development	<ul style="list-style-type: none"> • Number of civil service recruitment and career development systems options designed • Number of visits to HRMS internet portal, • Number of organized seminars, information workshops on PA careers • Number of promotion material on PA careers delivered and distributed, • Number of qualified civil servants recruited • Decrease in highly qualified civil servants leaving the service • Decrease in young civil servants leaving the service. 	<ul style="list-style-type: none"> • Reports on delivered analysis • Reports and minutes from working meetings and conferences, • HRMS Reports. 	<p>and all the stakeholders involved;</p> <ul style="list-style-type: none"> • Interest of the public in HRMS activities and for working in public administration.
Result 5. Implementation of activities related to the development of an e-Government system (in accordance with Action plan for implementation of PAR Strategy 2009-2012)	<ul style="list-style-type: none"> • Number of activities within PAR Strategy related to e-Government supported and implemented, • Number of citizens using electronic services increased, • Flows of information exchange and inter-ministerial communication increased • Flows of information exchange between central and local governments increased • Number of questionnaires distributed and evaluated on improved quality levels of public services with new e-government system 	<ul style="list-style-type: none"> • Progress report on introduction of e-Government and implementation of strategic documents in that sector, • Software for exchange of information between relevant public administration bodies. • Project implementation report • Benchmarking study: On-line availability of public services in Serbia 	<ul style="list-style-type: none"> • Working Group for E-Government has clear action plan for implementation of specific segments of e-Government. • Willingness of public administration to provide services to citizens and businesses using new procedures

Activities	Means & Costs	Assumptions
<p><u>Result 1:</u></p> <p>1.1 Conduct a functional analysis of the previously established/ existing mechanisms for coordination, monitoring, reporting, evaluation and promotion of the PAR Strategy and Action Plan implementation,</p> <p>1.2. Produce a proposal for improvement of mechanisms for coordination, monitoring, reporting, evaluation and promotion of the PAR Action Plan implementation in line with the functional analysis findings,</p> <p>1.3. Prepare and implement training programmes for all the participants in the process of coordination, monitoring, reporting, evaluation and promotion of the PAR Action Plan implementation,</p> <p>1.4. Conduct evaluations of the PAR process annually, semi-annually and mid-term (after two years of implementation)</p> <p>1.5. Promote the PAR process with key stakeholders and the public, develop a media campaign and materials in Serbian and minority languages on e-Government, organizing workshops on the local level to introduce citizens to e-Government (municipalities, schools, universities, NGO's) and organising workshops and information seminars for stakeholder groups and wider public.</p> <p>1.6. Provide support to developing an internet portal dedicated to the PAR process in Serbia.</p> <p><u>Result 2:</u></p> <p>2.1 Establish teams for conducting functional reviews (horizontal/vertical) in PA bodies with the emphasis on the requirements arising from the EU integration process,</p> <p>2.2 Adapt the structure of PA system and the organizational structure of selected PA bodies in accordance with the recommendations derived from the conducted functional review,</p> <p>2.3 Provide support for creating and the delivery of a tailored methodology for preparation of strategic documents to be adopted by Government,</p> <p>2.4 Provide support to build the process of annual operational planning in PA bodies,</p> <p>2.5 Prepare and conduct training for employees in PA bodies and Government Services on using the methodology for preparing strategies action plans, annual operational plans, coordination of sector policies and Government strategies,</p> <p>2.6 Organize study visits to selected EU member states for selected PA bodies' civil servants.</p>	<p>Service contract 1: 1.7 Million</p> <p>Service contract 2: 1 Million</p> <p>Service contract 3: 1.3 Million</p> <p>Supply contract 1: 2.5 Million</p>	<ul style="list-style-type: none"> ➤ Availability of adequate expertise; ➤ All stakeholders involved taking active part and showing willingness to cooperate; ➤ Commitment and participation of all public administration bodies in PAR; ➤ Law on Citizens status Registrars is adopted and there is an existing central information system based in concept of e- registers; ➤ Certification authority established within Ministry of Interior.

Activities	Means & Costs	Assumptions
<p><u>Result 3:</u></p> <p>3.1 Carry out a Training Needs Analysis (TNA) in all PA bodies and develop an appropriate institutional model to deliver the training.</p> <p>3.2 Produce detailed training programs and textbooks (translated) for institutions dealing with civil service training, along with the agendas for individual courses and internships in PA bodies,</p> <p>3.3 Prepare and implement training programs for the Institution’s employees (<i>capacity building</i>) and for the Institution’s trainers (<i>training of trainers</i>),</p> <p>3.4 Design and Develop a Management Information System with portal for the institution managing the training process</p> <p>3.5 Establish programs of cooperation with the related institutions in the EU and in the region and organise study visits.</p> <p>3.6 Conduct promotional activities with an aim of acquainting civil servants with the new training system (promotional materials, events, etc).</p> <p>3.7 Procurement of technical equipment needed for the efficient functioning of the institution responsible for managing the civil servant training process.</p> <p><u>Result 4:</u></p> <p>4.1. Review and support in improvement of the existing civil service recruitment and career development systems including its legal framework</p> <p>4.2. Analysis of trends in movement and career path of public administration personnel, analysis of possibilities and conditions for career development of civil servants</p> <p>4.3. Design new systems for civil service recruitment and career development</p> <p>4.4. Organize workshops, round table discussions, information seminars and material to promote employment in public administration to potential employees,</p> <p>4.5. Establishing an Internet portal with multimedia contents to present job positions in public administration authorities</p> <p>4.6. Procurement of measurement tests for assessing abilities, interests and motivation of civil servants for HRMS</p> <p>4.7. Training of the personnel in the HRMS for human resource planning and personnel assessing, as well as training of HRM units of public administration authorities in managing civil servants’ career</p>		

Activities	Means & Costs	Assumptions
<p><u>Result 5:</u></p> <p>5.1. Provide technical assistance to the Special working group for development of e-Government (concretization of activities – midterm revision of Action plan for Public Administration Reform Strategy, legislation gap analysis and legislative drafting)</p> <p>5.2. Define a set of minimum standards for interoperability in the Serbian PA based on comparative experiences of other countries in the area of e-Government</p> <p>5.3. Carry out gap analysis on data exchange standards in PA and conduct pilot project related to establishment of electronic citizens data exchange between relevant PA institutions (as for example the Ministry for internal affairs - MIA)</p> <p>5.4. Training needs analysis and training of Serbian government (central/local) staff on the use of e-Government services</p> <p>5.5. Support implementation of service for data distribution between relevant PA institutions and connect e-Government portal with information system in MPALSG,</p> <p>5.6. Enhancing e-Government portal containing service directory, identity and single logon service, e-forms service, payment service monitoring and quality assurance procedures</p> <p>5.7. Support the establishment of the appropriate communication, hardware and software infrastructure necessary for provision of e-services (such as virtual machine service or similar hardware infrastructure, interfaces for data exchange, communication links etc),</p> <p>5.8. Implement adequate software application for establishment of basic public service, “Certificates (birth, marriage): request and delivery” on sophistication level 4 – “Complete electronic data processing” for the whole territory of Serbia,</p> <p>5.9. Create three e-Government services for citizens listed among the twenty priority services,</p>		
Preconditions		
<ul style="list-style-type: none"> ➤ Action Plan for Implementation of PAR for period 2009-2012. is passed (in 2009.); ➤ Strategy for training of civil servants is prepared and passed on time; ➤ Overall institutional framework for training of civil servants is established; ➤ Special working group for development of E-Government is established and functional. ➤ Budgetary and Human Resources made available by the beneficiaries 		

ANNEX II: AMOUNTS (IN M ₪) CONTRACTED AND DISBURSED BY QUARTER FOR THE PROJECT

(IPA contribution only)

Contracted	N+4Q	N+5Q	N+6Q	N+7Q	N+8Q	N+9Q	N+10Q	N+11Q	N+12Q	Total
Contract 1: Service	1.70									1.70
Contract 2: Service	1.00									1.00
Contract 3: Service		1.30								1.30
Contract 4: Supply	2.50									2.50
Cumulated	5.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Disbursed										
Contract 1: Service	0.51		0.34		0.34		0.34		0.17	1.70
Contract 2: Service	0.30		0.20		0.20		0.20		0.10	1.00
Contract 3: Service		0.39		0.26		0.26		0.26	0.13	1.30
Contract 4: Supply	1.50			1.00						2.50
Cumulated	2.31	2.70	3.24	4.50	5.04	5.30	5.84	6.10	6.50	6.50

ANNEX III: INSTITUTIONAL FRAMEWORK – LEGAL RESPONSIBILITIES AND STATUTES

The Public Administration Reform Council

The PAR Council is the central strategic body of the Government of the Republic of Serbia for Public administration reform (PAR). The role of the Council is to give recommendations for the development of public administration in the Republic of Serbia, initiate and propose to Government measures and activities that are related to PAR, ex ante analyze draft laws which are related to organization and work of Government, public administration bodies, and other draft laws related to PAR and to give its opinion on those laws to the Government.

The PAR Council consists of - as President of Council – Prime minister; as Vice-presidents – Deputy Prime minister and Internal affairs minister and Vice Prime minister and Economy and Regional development minister; as members: Vice Prime minister and Science and technological development minister, Minister of Finance, Minister of Justice, Minister for Public Administration and Local Self-Government, Ministry for Education, Minister for Telecommunications and Information Society, Director of Legislative Secretariat and Director of HRM Service.

Administrative tasks are provided by the General Secretariat of Government, Ministry for Public Administration and Local Self-government and Legislative Secretariat.

The Ministry for Public Administration and Local Self-Government

The Ministry for Public Administration and Local Self-Government (MPALSG) performs public administration tasks related to: public administration system and organization and operation of ministries and other special organizations, ombudsman; administrative inspection; administrative procedure and dispute; elections for national bodies, labour relations in state bodies; professional improvement of employees in state bodies; civil registries; official stamps; political and other organisations, except labour unions; direct citizens expressions of political attitudes, unified electoral register; system of local self-government and territorial autonomy and election of local self-government bodies; labour relations in local self-government units and autonomous provinces; territorial organization of the Republic of Serbia, as other tasks defined by law.

The Ministry for Telecommunications and Information Society

Department for Information Society conducts public administration affairs in the field of information society development pertaining to: setting the policy and strategy for information society development; drafting laws, other regulations, standards and measures in the field of electronic commerce; Internet and information technology application; rendering information services; academic computer network development and upgrading; coordination in drafting strategic development documents at the level of the Republic of Serbia; information infrastructure development and operation, as well as other affairs stipulated by law.

The General Secretariat of the Government

General Secretariat is common service of the Government responsible for professional and other tasks needed by Government and its working bodies. General Secretariat: prepares acts by which Government supervise, steer and coordinate work of ministries and special organizations and takes care of their execution, cares about execution of Government's acts by which it imply responsibilities to the ministries and special organizations; if ministries and special organizations don't prepare certain regulation within deadline defined by law or any other Government's regulation, informs Government and proposes deadlines for preparation and also proposes deadlines for preparation and adoption of regulations if they are not defined

by law or any other Government act; cares of commitments of Government towards National Assembly; provide participation of Government and its representatives in work of National Assembly, cooperation with President of the Republic of Serbia, other PA bodies and organizations, other states and international organizations; process material for sessions of Government and its working bodies; prepares and monitor sessions of Government and its working bodies and other sessions in Government; cares on utilization of Government resources; prepares acts by which Secretary General makes his authority towards directors of Government Services which are responsible to him and cares of their execution.

The Human Resource Management Service

The Human Resources Management Service is a service of the Government established by the Regulation on establishing the Human Resources Management Service in 2005 (Official Gazette of RS, NO 106/2005).

Domain of the Human Resources Management Service is specified in Article 2 of the Regulation. The Human Resources Management Service is carrying out the following specialist tasks related to the personnel management in the ministries, special organizations, services of the Government, and support services of the administrative districts (hereinafter: the Authorities):

1) Advertising internal and public competitions for filling appointive and executorial positions with the Authorities, and ensuring the proper administration of the competitions; 2) For the Government, preparing the Human Resources Plan Proposal of the Authorities and ensuring the proper implementation of the adopted human resources plans; 3) Taking care of a coordinated reorganization of the state administration, which includes: development of the civil service system, regulatory initiative related to regularizing the status of civil servants and general service employees, and taking part in the drafting of regulations; 4) Providing its opinion on bylaws on internal organization and staffing tables of the Authorities; 5) Providing specialist support to the Authorities in relation to the personnel management and internal organization; 6) Administering the Central Personnel Registry of civil servants and general service employees with the Authorities; 7) Administering records of the Internal Labor Market in the authorities, assisting civil servants with reassignments and work in project groups, and assisting the Authorities with solving personnel related needs; 8) Drafting the Programme of the General Professional Civil Service Training Proposal for the Government, and organizing professional training in line with the adopted Program; 9) Carrying out specialist, technical and administrative tasks for the High Civil Service Council, and the Government Appeals Board, and providing environment and resources for their operations. The Service advertise internal and public competitions for filling appointive positions with the Republic Public Attorney's Office, ensure the proper administration of the competitions, and issue its opinion on the Bylaw on Internal Organization of the Republic Public Attorney's Office and its Staffing Table.

The Service also carry out other tasks significant for the personnel management that the Government entrusts it with, as well as the tasks prescribed by a statute or a Government's regulation.

Director of the Service is appointed by the Government to a five-year's term on the proposal by the President of the Government. The Director of the Service is accountable to the Government and the President of the Government.

The Director has five Assistant Directors of the Service. In the Service there are five Departments: Department for Planning and Personnel Selection, Department for Analytical

Affairs, Department for Professional Development, Department for Central Personnel Registry, and Department for Legal, Financial and General Affairs.

The National Information Technology and Internet Agency, as a special organization, pursuant to Art. 37 of the Law on Ministries (*Official Gazette RS* no. 65/08), conducts technical and public administration affairs pertaining to: promotion, development and operation of the information system of public bodies, local self-government and public services; Internet use in the work of public bodies, local self- government and public services; data protection; development and implementation of standards in information technology introduction in public bodies. The Agency's work is supervised by the Ministry of Telecommunications and Information Society.

Pursuant to the Decision on the Administration for Common Affairs of Republic Bodies (*Official Gazette RS* no. 67/91, 79/02,13/04), the **Administration for Common Affairs of Republic Bodies** is competent, *inter alia*, for the automatic data processing affairs, comprising: preparing and implementation of projects for automation of administrative and other operational tasks performed in the Administration and Republic bodies, designing and organization of documentation and other databases as needed for the work of Republic bodies, other information affairs relating to ensuring information system operation and development. Information affairs in the Administration are conducted in the Department for Information, Internet and Telecommunications.

ANNEX IV: REFERENCE TO LAWS, REGULATIONS AND STRATEGIC DOCUMENTS

Reference list of relevant laws and regulations:

Strategic documents

- European partnership;
- Stabilization and association agreement;
- Multi annual indicative programming document 2007-2009. (2008 – 2009.);
- Strategy for public administration reform,
- Strategy for the development of Information Society in the Republic of Serbia

Laws and regulations

- Law on Ministries (“Official gazette RS”, nr. 65/08);
- Decree on General Secretariat of Government (“Official gazette RS”, nr. 75/05 and 71/08);
- Decree on forming HRM Service (“Official gazette RS”, nr. 106/05);
- Decision of forming PAR Council (“Official gazette RS”, nr. 73/04);
- Decision on appointing president, vice-presidents and members of PAR Council (“Official gazette RS”, nr. 82/08).
- Law on the Information System of the Republic of Serbia (Official Gazette RS no. 12/96)
- Law on Electronic Signature (Official Gazette RS no. 135/04) and its bylaws:
 - Rules on Specific Conditions for Issuing Qualified Electronic Certificates (Official Gazette RS no. 26/2008)
 - Rules on the Technical and Technological Procedures for the Creation of a Qualified Electronic Signature and the Criteria to be met by Devices for the Creation of a Qualified Electronic Signature (Official Gazette RS no. 26/2008)
 - Rules on the Registry of Certification Bodies Issuing Qualified Electronic Certificates in the Republic of Serbia (Official Gazette RS no. 26/2008)
- Law on the Information System of the Republic of Serbia (Official Gazette RS no. 12/96)
- Regulation on Security and Protection of Information Systems of Public Administration Bodies (Official Gazette of the Socialist Republic of Serbia no. 41/90)
- Instructions for Preparing and Adopting Information System Designs of Public Administration Bodies (Official Gazette of the Socialist Republic of Serbia no. 49/89).

Reports and analysis

- i2010 initiative “A European Information Society for growth and employment”
- Serbia 2008. progress report, Enlargement Strategy and Main Challenges 2008-2009, European Commission (SIGMA excerpt);
- Overview on the implementation of the Serbian Public Administration Reform Strategy and the Action plan 2004-2008.

Reference to EP / SAA / NPI / MIPD / PARS

European Partnership

This project will embody the implementation of the priorities defined in the Council Decision 2008/213/EC of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership (EP) with Republic of Serbia including Kosovo, as defined by the United Nations Security Council Resolution 1244 of 10 June 1999 and repealing Decision 2006/56/EC⁸. Herewith, one of the key short-term priorities is to: *"Continue efforts to implement the reform of the public administration, ..., to ensure transparent recruitment and promotion as well as professionalism and accountability, ... improve coordination throughout the public administration and parliament and pay particular attention to policy coordination."* Likewise, this Project continues with activities that are completely in line with one of the EP medium-term priorities, i.e. to: *"Continue full implementation of civil service and public administration laws, implement measures to develop human resources in the civil service, strengthen the policy-making and coordination capacity of the public administration..."*

Stabilization and Association Agreement

Chapter VIII – Within Cooperation Policies, the SAA highlights in general a need to elevate educational and training level in Serbia (Art. 102) which is, in the scope of this Project, particularly addressed within its third result. Article 114. dedicated to Public Administration emphasizes that the cooperation between EU and Serbia: *"shall aim at ensuring the development of an efficient and accountable public administration in Serbia, notably to support rule of law implementation and the proper functioning of the state institutions for the benefit of the entire population of Serbia and the smooth development of the relations between the EU and Serbia. Cooperation in this area will mainly focus on institution building, including the development and implementation of transparent and impartial recruitment procedures, human resources management and career development for the public service, continued training and the promotion of ethics within the public administration. Cooperation shall cover all levels of public administration..."*

The SAA article 105 on Information society stipulates that *"the Parties shall also cooperate with a view to further developing the Information Society in Serbia Global objectives will be preparing society as a whole for the digital age, attracting investments and ensuring the interoperability of networks and services."*

National Program for Integration of the Republic of Serbia into the EU⁹

Chapter 4., and in particular subtitle 4.1. of the NPI, envisage objectives of PA Reform in such a manner that the Project proposal is aligned with them to a great extent. In addition, Project will fit very well the mid-term priorities, as an instrument that would facilitate the implementation of the revised Action Plan (for 2009-2012).

MIPD

Proposed project is compatible with basic guidelines/priorities for programming presented in the MIPD 2009-2011. In section related to Political Criteria, heading 2.3.1.1. strategic Objectives and Choices under 2) are as follows: *„Improving the performance of Serbia’s public administration at all levels (governmental, parliamentary, paragonovernmental and regulatory bodies/structures) to foster democratic governance and public service to all people*

⁸ Official Journal L 80 of 19.3.2008

⁹ Adopted in October 2008 by the GoS

in Serbia. Making further sustained efforts to implement the reform of the public administration, including the civil service pay system, to ensure transparent recruitment, professionalism and accountability specially of the senior civil service; in particular strengthen the European integration structures (including line ministries and the parliaments), and improve cooperation among them. Assist Serbia's efforts to combat corruption and to depoliticize its public administration. Improved central training structures for the civil service. “

Strategy for public administration reform

According to the Strategy for the PAR (adopted by Government of the Republic of Serbia in Novemebr 2004.), the main objectives that Serbia plans to achieve through the public administration reform are creation of a democratic state based on the rule of law and creation of a public administration directed towards the citizens. In reaching these goals, the Strategy identifies five basic principles of the reform which represent the main operating course in the reform process. Principles of decentralization, de-politization, professionalization, rationalization and modernization of Serbian PA should lead the way towards the fulfillment of the main objectives of the reform which essentially means - to create „European“ public administration.

This document defines general guidelines for enabling the processes of function and methodology of the implementation of ICT to build up into the basis of a complete public administration reform. It also sets the government’s position to harmonize the laws in the area of information technologies with the *acquis*.

The Strategy of Public Administration Reform marks the first official use in a governmental document of the term “e-Government”. This documents points out one of the main instruments for the increase of the efficiency and accuracy of the work of the public administration, as well as the instrument for rationalization of public administration measures that is facilitating a faster and easier accessibility of information to a wider public.

Strategy for the development of Information Society in the Republic of Serbia

In this document it is underlined that: “Serbia needs to embed ICT into their overall development strategies”. In addition this document quotes e-Europe Action plan in relation to key action points: “e-Government: bring public administration closer to citizens and economy through provision of modern public services by internet”.

It is underlined in the Strategy for the development of Information Society in the Republic of Serbia¹⁰ that given the profound promises and pervasive impacts of ICT on national economies and global competition, Serbia needs to embed ICT into their overall development strategies. Concerning the development of e-Government, this document stresses that the reform of public administration based on a wide usage of ICT presents one of the key elements of the entire transition of the Republic of Serbia.

¹⁰ *Strategy for the development of Information Society in the Republic of Serbia*, 2006, published in the *Official Gazette RS* no. 87/2006

ANNEX V: DETAILS PER EU FUNDED CONTRACT

TA Contracts

Contract # and Name	Description	Cost Estimates (EUR m)
Service Contract 1	<p>One service contract to realise Results 1, 2 and 3 which are</p> <ul style="list-style-type: none"> • Improved mechanisms for the implementation of the PAR Strategy Action Plan 2009-2012 (coordination, monitoring, reporting, evaluation, promotion), • Organisational reengineering to improve the work and efficiency of PA bodies in accordance with the PAR Action Plan, • Improved institutional framework for the training of civil servants in PA 	1.7 Million
Service Contract 2	<p>One Service contract to realise Result 4</p> <ul style="list-style-type: none"> • Improved system of recruiting personnel and a systemic planning approach for civil servant career development introduced. 	1 Million
Service Contract 3	<p>One service contract to support implementation (supervision) and public promotion of the technical infrastructure component of Result 5 Implementation of activities related to e-Government in accordance with Action plan for implementation of PAR Strategy 2009-2012 and to support civil service professional training.</p>	1.3 Million

Supply Contracts

Contract Name	Description	Cost Estimate (EUR m)
Supply Contract	<p>Supply of ICT Hardware to support the roll out of E-government in Serbia and to support civil service professional training. This will include UPS, Storage, Racks, Installations, OP systems, DBMS, ISA&Exchange and be inclusive of required operating software.</p>	2.5 Million

ANNEX VI: DIAGRAM OF ORGANIZATIONAL STRUCTURE FOR PROJECT IMPLEMENTATION

