**Project Title**: E-services and digital infrastructure as COVID-19 response measure

**Project Number:** 00132790

**Implementing Partner:** UNDP Office in Podgorica

**Start Date:** 18th January 2021 **End Date:** 18th January 2023 **PAC Meeting date: 21**st December 2020

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| **Brief Description** |
| The COVID-19 crisis emphasized the importance of technology, but also the pivotal role of an effective, inclusive and accountable Government.  The proposed project will support the development of digital public administration and platforms, electronic portals, and the development of e-services of the highest complexity for both citizens and businesses on both central and local level. The digital transformation of the Public Administration will entail the development of a set of complex software system and upgrading the existing ones, while removing the malfunctions and enabling the efficient and rapid response to citizens/businesses’ needs in the provision of public e-services. The project will also support for convergence of public and private sector security efforts and improve country’s business continuity plan for provision of e-services  In addition, the project will raise the awareness of citizens and the businesses about the importance and benefits of digital services and tools, but also enable them to participate in creating those that are necessary to meet their needs.  The specific Results are:  Key result 1: Enhance digitalization of the public administration through the development of platforms and complex e-services  Key result 2: Establish an efficient and sustainable integrated system of simplified electronic procedures for citizens and businesses  Key result 3: Improve data protection and digital inclusion of public institutions |

Contributing Outcome (UNDAF/CPD, RPD or GPD):

*By 2021, people-centred, accountable, transparent and effective judiciary, Parliament, public administration and independent institutions ensure security, equal access to justice and quality services to all people.*

Indicative Output(s) with gender marker2: GEN2

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| --- | --- | --- |
| **Total resources required:** | 2,265,180 USD | |
| **Total resources allocated:** |  | |
| **UNDP TRAC:** |  |
| **EUD:** | 2,265,180 USD |
| **Government:** |  |
| **In-Kind:** |  |
| **Unfunded:** |  | |

Agreed by (signatures):

|  |  |
| --- | --- |
| Government | UNDP |
| Tamara Srzentić, Minister, Ministry of Public Administration, Digital Society and Media, Government of Montenegro | Daniela Gasparikova, Resident Representative, UNDP in Montenegro |
| Date: | Date: |

# Development Challenge

The European Commission ‘Indicative Country Strategy Paper for Montenegro 2014-2020’ identifies the public administration reform (hereinafter: PAR) as a fundamental pillar of the EU integration process. A sound and functioning public administration both at central and local level is a prerequisite for progress on political and economic reforms and influencing appropriate implementation of EU rules and standards. As stated in [Western Balkan Strategy](https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans_en.pdf) the reform includes improving the quality and accountability of administration, increasing professionalism and better services for citizens.

Government on-going efforts in making the public administration more efficient and citizen oriented are reflected in four major areas:

* Policy improvements
* Infrastructure improvements
* Digital access enhancement
* Transparency efforts

**Policy improvements.** These principles are reflected in [Public Administration Reform Strategy 2016-2020](https://mju.gov.me/ResourceManager/FileDownload.aspx?rid=268697&rType=2&file=Strategija%20reforme%20javne%20uprave%20u%20Crnoj%20Gori%202016-2020.pdf), adopted by the Government of Montenegro, which paves a way for the establishment of the transparent, accountable and service-oriented administration at national and local level.

Digital transformation is high on the government's agenda and Montenegro is aiming to rapidly deploy cost-effective, secure and citizen-centric e-services and coordinate implementation of ICT policies. Apart from the PAR Strategy, the Government of Montenegro adopted the [Strategy for Information Society Development 2020](https://mju.gov.me/ResourceManager/FileDownload.aspx?rid=364360&rType=2&file=Strategija%20razvoja%20ID%202020.pdf) with a view to reach the EU standards set out in the Digital Agenda 2020 and the Digital Single Market Strategy. The strategy aims to support rapid digital development of the economy, achieve highest level of electronic services, increase the percentage of citizens and legal entities using e-services and increase the number of services at the e-Government portal. The strategy is divided into chapters that have been identified as the key steps to achieve the EU standards in this field, namely:

* Broadband infrastructure
* Cyber security
* Human capital
* Digital business
* E-education
* E-health
* E-inclusion
* E-government
* Research, innovation and development

Digital transformation in Montenegro is also strengthened by [following legal framework](https://mju.gov.me/biblioteka/direktorat_eu_ib/zakoni), harmonized with the Acquis Communautaire:

* Law on electronic administration
* Law on electronic identification and electronic signature
* Law on electronic trade
* Law on information safety

Based on the adopted legal framework, the Government started issuing electronic ID documents in 2020 and forming digital identities, thus removing obstacles to access electronic services, which so far have been seen as a critical milestone in the development of e-services. In addition, the national interoperability framework has been harmonized with the European interoperability framework.

**Infrastructure improvements.** The Ministry, Digital Society and Media (hereinafter: the Ministry) has been continuously making an effort to ensure necessary and modern ICT infrastructure is setup and available. There are ongoing activities that have resulted in following systems being developed or in development:

* **Unified information system**, including:
* **Data center** - facility, ie space that meets the requirements for accommodation and operation of computer and communication equipment, in accordance with international standards;
* **Disaster recovery center** - facility, ie space in which backup computer systems and accompanying equipment are installed in order to ensure continuity of work and eliminate the possibility of data loss in case of incident situations, which meets the requirements for accommodation and operation of computer and communication equipment, in accordance with international standards;
* **Information and communication infrastructure** which consists of a set of information and communication technologies necessary for the operation of a single information system;
* **Shared infrastructure systems** consisting of systemically implemented computer programs that are part of a single information system;
* **Shared application systems** consisting of purpose-built computer programs for business functions that are part of a single information system;
* **Shared internet systems** consisting of purpose-built computer programs for providing services on the Internet that are part of a single information system.
* **Information and communication network of state administration bodies** through which secure and unified access to e-government services is provided by the Ministry.
* **NS-eID** **national electronic identity management system** enables the function of electronic identification, ie authentication and authorization of users when using electronic services at the national level, with different identifiers of domestic and foreign users, as well as using certification services of different service providers. NS-EID through the system for confirmation (authentication and authorization) of electronic identity controls the application of users (citizens, businesses and others) to use the electronic service. NS-EID is intended for the purpose of integrating the functionality of electronic identity identification into IT solutions that provide services using information and communication technologies. The central service of the system must be a universal requirement for all electronic services, which requires reliability in identification for the purpose of security and trust.
* **NS-NAT - Electronic payment system** is the information system for the collection of administrative fees should ensure the collection of all fees in all administrative and court proceedings and to enable simple, consistent and logical control of collected fees, by establishing a central software system and associated database that would contain information on all fees paid and be able to, if necessary, present the same. The first segment of NS-NAT aims to enable payment of fees by payment cards at the counters of public administration bodies and local self-government units, as well as payment cards through the central portal and e-tax service. This system would allow the use of programmable POS terminals that allow you to set a transaction fee with the possibility of adding a commission to the amount of administrative fee with the prior consent of the user.
* **SISEDE/GSB** - The heart of shared systems is the Single information system for electronic data exchange (hereinafter: SISEDE) which maps the data, ie which identifies which organ is the source for which data and which ensures that the principle of "once and only" is respected, ie that data is entered exclusively at the source and that as such they are further used in other systems, by download or insight, and not by re-entry.
* **e-Delivery system** is imposed as a necessity in the coming period. As electronic provision of services is a priority of public administration, after the completed parts related to access, identification and authentication of users, payment of fees electronically, the issue of delivery of electronic documents and their further use arises.

**Digital access.** In 2011, the Ministry launched [e-Government portal](http://www.euprava.me). The portal enables citizens/businesses to quickly and easily exercise their rights by using available electronic information on services, and to help the process of communication with the state administration. All information on the set of services offered by state administration bodies is located at this portal. In the part of the e-Participation and e-Petition portal, citizens can actively participate in public debates, provide comments on laws and other strategic documents and express their opinions and views.

Still the use of the Portal has not been widespread or commonly used by all citizens. Some of the main weaknesses influencing this situation are: slow response and complexity of the system, lack of variety of services, lack of interoperability of public institutions, lack of online payments and data protection, inability of citizen/business to have full overview of their account information and request and lack of direct e-communication with the public institutions.

**Transparency efforts.** The Government also launched [Open Data Portal](http://www.data.gov.me) with the overall goal to strengthen the transparency of public administration. The Ministry, as the administrator of the open data portal, collects data of public importance from state institutions in open formats and uploads them to the portal. In 2011, Montenegro joined the Open Government Partnership (OGP) program and renewed its active status in 2018 when adopting new National Action Plan for the implementation of the initiative. The preparation for new Action plan 2020-2022 is in the works.

The lack of methodical quality management at the level of the entire public administration is a major challenge. There is no systematic measurement of the quality of public services, despite ad hoc initiatives to measure citizens' satisfaction with the services provided in general.

Digitalization has one of the most important roles in creating a government that will be resilient to potential crises, be able to respond to global trends and available to citizens and the business sector according to their needs. According to the latest [UN E-Government Survey](https://www.un.org/development/desa/publications/publication/2020-united-nations-e-government-survey)[[1]](#footnote-2), Montenegro belongs to the Middle Online Services Index group. E-Government Development Index of MNE is 0.7, while EU average is 0.8170. With regard to the region, Bosnia and Herzegovina is in the same group, North Macedonia belongs to the group of High OSI level, while Albania and Serbia belong to the group of Very High OSI level. This assessment is based on technical features of national websites, as well as e-government policies and strategies applied in general and by special sectors in delivering services.

Although the Government has made significant progress in legal framework adoption and made significant investments in infrastructure, these advances have not been sufficient to ensure efficient public administration. Namely, digital procedures and the use of digital tools by some of the public authorities are at a quite basic level. On the other hand, two institutions have launched fully operational e-services, such as the online enrolment of children to schools and kindergartens[[2]](#footnote-3) and online registration of business entities[[3]](#footnote-4). It is necessary to strengthen the infrastructure, human resources, digital platforms, system for identification, authentication and payment of administrative taxes but also to listen to the needs of citizens and the business sector and adapt services to their preferences in order to facilitate cooperation with the administration.

Montenegrin administration still acts in “silo-based” systems: institutions are developing their own infrastructure and services, which are being built in isolation from the rest of the administration. The synchronisation of procedures and the compatibility of the electronic databases used by different institutions have not been achieved yet, which significantly impedes the electronic exchange of data between such institutions, making it impossible for complex procedures and services to be performed electronically in the fullest sense of the word. Despite the call for the interoperability as a key component of e-Governance which serves to facilitate cooperation between authorities, institutions keep using registries that have been developed for their own use. This results in institutions not meeting the prescribed standards and the exchange of data proving to be difficult and inefficient. In order to overcome this situation, efforts have been made by establishing a single system for the electronic exchange of data between state and state government bodies (SISEDE). Institutions at the national and local level should have a unique instruction guide for the development and improvement of digital services, adopted on the highest state level and harmonized with relevant legal regulations. There should be a methodologically standardised approach across all institutions of public administration in describing services as a precondition for service development, as also suggested in the analysis “Improving the public service delivery in Montenegro - Catalogue of services to be supported by SISEDE”[[4]](#footnote-5) .

In designing the services, it is important to change the “paper” way of thinking because it hinders development of the services, and therefore, the portfolio should be primarily based on mapping of services, their analysis, impact assessment and verification of services which should be designed and put into use. Authorities need to consider consolidating existing legislation and removing restrictions that prevent the full digitalisation of public administration in Montenegro. In addition, in order to increase the transparency and operability of digital platforms, the upgrade of Open data portal and the use of data in a machine-readable format could contribute to the improvement of existing and the creation of new digital services.

The biggest challenge in the process of digital transformation, when it comes to public administration, is the creation and effective use of digital services accessible to citizens and businesses. According to the “[*Survey on the use and attitudes towards e-services among citizens and businesses in Montenegro*](https://undp.sharepoint.com/teams/MNE/Shared%20Documents/Democratic%20Governance/E-Gov%20and%20Digital%20infrastructure/Draft%20Proposal/NS%20eID%20system%20shall%20be%20integrated%20with%20the%20existing%20Montenegrin%20CAs%20(Certificate%20authority)%20and%20will%20have%20the%20functionality%20developed%20for%20the%20SSO%20(Single%20sign-on)%20feature,%20thus%20all%20developed%20applications/platform/services%20must%20use%20NS%20eID%20as%20IDP%20(Identity%20provider).%20It)*”[[5]](#footnote-6)* and “[*ICT as a driver for further development of Montenegro*](https://www.me.undp.org/content/montenegro/sr/home/library/human_development/NHDR2018.html)”[[6]](#footnote-7), despite the principal awareness on the importance of digital literacy of citizens for the development and modernization of the society, nearly two-fifths of citizens (38%) do not have a sufficient level of digital skills to use the internet, i.e. they are either completely digitally illiterate (22%) or, based on their self-assessment, they have only the most basic internet use skills (16%). Just over one-quarter of Montenegrin citizens estimate that their skills in using the Internet stand at a basic level. This is more often the case in citizens aged 45+, those who are less educated, those who are unemployed, retired persons, and housewives, persons with lower income, as well as for citizens from northern and rural parts of Montenegro. These population groups should be paid a special attention to, through making the e-services accessible to them by adjusting the services to the level of their digital literacy. When asked about the purposes for which they use the internet, only 5% of Montenegrin citizens report performing public administration-related e-services.

Traditional public administration services remain preferred over e-services among citizens regardless of whether they cost the same or e-services are cheaper – over 60% of citizens still opt for the traditional ones. The reasons for not using such services, however, are two-fold: on the one hand, the lack of awareness among citizens about e-services as well as generally underdeveloped digital literacy. At the same time, for the cause of this problem is also be attributed to public institutions that provide certain services but fail to promote and design them in the way they that reaches and results in their use by citizens.In order to bridge this gap, building the trust towards the digital governance and anticipating the real needs of users, as well two-way communication is needed, i.e. institutions as service providers and citizens and business sector as beneficiaries.

It is striking that close to half of internet users in Montenegro, i.e. 47%, have never used public administration e-services, although they are aware of this possibility – 37% have never visited an e-government portal and 10% have visited an e-government portal, but never used any of the services. In addition, the situation is far worse in local self-governments, primarily due to different administration systems, collection of different local fees, the number of e-services that are not unified and the lack of direct cooperation with local community. One of the problems adding up to this issue of e-services is that there are virtually no institutions with a reliable system for collecting feedback from citizens and business sector, so there is an obvious lack of empirically supported facts which would continuously give input to decision-makers in this regard.

It is important to implement mechanisms to raise awareness of community about the importance of digital services and tools, their efficiency and benefits such as reducing time and administrative procedures, cutting red tape, ease of monitoring the process of meeting requirements, direct communication with public administration. Especially during the COVID-19 pandemic, when digital tools proved necessary in order to provide a unique, powerful entry point and to reduce vulnerability and strengthen the resilience of Montenegrin society, the promotion of effective use of digital services and tools should be the priority. Due to COVID-19 outbreak, public services are experiencing slowdowns, due to the traditional and paper-based processes. The key to making digital transformation as the effective response to COVID-19 is to establish trust in a digital future for Montenegro, especially e-commerce and e-services, since the pandemic has showcased the value of ICT and digital transformation and how governments should accelerate the transition.

A technological maturity model used in Montenegro provides a basic framework to assess the state of the e-services landscape. If applied to public services, the extent of accessibility of e-services can be defined. Roughly, the stages of maturity range sequentially:

* **Level 1 Information** exists electronically about the service.
* **Level 2 One-way communication:** forms can be downloaded from the internet, to be filled in manually.
* **Level 3 Two-way communication:** Forms can be filled in and submitted online and the public service will be triggered for the authorised user.
* **Level 4 Transaction:** Services can be provided fully on-line by electronically submitting filled-in forms or data for processing. The output is delivered also electronically.
* **Level 5 Personalised service:** The entire service can be performed on-line, automatically and proactively.

Completing the requirements of each following level requires better structure, transparency, and organisation, and the necessary effort to establish the procedure. For each organisation, determining the level of describing services is individual. In Montenegro, services provided at all five different technology maturity levels are called e-services. In reality, 90% of services at [www.euprava.me](http://www.euprava.me) portal fall in L1 and L2, up to 10% in L3. There is a significant lack of Level 4 and Level 5 services.

Public servants involved in the list of ‘priority services’ should be sufficiently equipped and trained, in order to offer optimal ‘distant’ services to citizens and businesses. A risk for successful provision of e-services is a lack of qualified staff, unwillingness or inability of staff to acquire the necessary knowledge, or even inertia, absence of incentives and lack of interest – even if the skills are there. When it comes to introducing novelties in the workplace, public administration is burdened with red tape and the introduction of any change is a lengthy process. Also, changes introduced at the regulatory level are not always aligned with organisational changes in institutions. There is a lack of awareness in all parts of society about the importance of digitalisation and the benefits it brings. It is noted that employees are more inclined to traditional forms of communication, and that they show certain resistance in accepting the new system of functioning of public administration.

**UNDP contribution to date**

Important aspect of the efficient public administration is the quality and accessibility of public services and introducing opportunities to reduce or simplify administrative procedures of routine tasks for citizens and business operators. Specifically, the new Law on General Administrative Procedures introduces the principle of encouraging data exchange between authorities. Despite this Law being in place many rules, specific to individual authorities are still in place. Special efforts are required to align different rules in separate regulations. This is necessary in order to build a system of safe and reliable data exchange between authorities and to implement the principle of data exchange.

The UNDP Project “Development of SISEDE”, implemented from February 2016 – December 2018 provided support to the Ministry. The goal of the project was to enable state authorities and state administration bodies to exchange administrative data through the SISEDE. The SISEDE technical solution has been developed, tested and in production use.

The UNDP Project “Support to the creation of a more transparent, efficient and service-oriented public administration”, has been jointly implemented by UNDP and The Ministry since 2018. It has been providing support to The Ministry in strengthening the interoperability as a set of horizontal IT systems that support the provision of public services to institutions (G2G), citizens (G2C) and businesses (G2B) through upgrade of SISEDE. Currently, 10 key public registers are connected to GSB, namely Central population register, Criminal record, Employment record, Registry of number of children in educational institutions / Register of education, Register of taxpayers, Central registry of business entities, Registry of property rights holders, Register of the Health Insurance Fund, Central pension fund register , Register of social benefits . Six of connected registries are exchanging data either as data providers or data consumers. The GSB infrastructure will be significantly upgraded in future with additional functionalities and by connecting additional public registers. Currently one e-service for citizens has been developed and implemented, one is in pilot/testing phase and four more will be developed during 2021.

# Strategy

Digital transformation is high on the government's agenda and Montenegro is aiming to rapidly deploy cost-effective, secure and citizen-centric e-services and coordinate implementation of ICT policies. Strengthening of the current government infrastructure, human resources, digital platforms, system for identification, authentication and payment of administrative taxes but also listening to the needs of citizens and the business sector and adapt services to their preferences in order to facilitate cooperation with the administration will be the basis for any further improvement in the provision of public services.

The key to making digital transformation as the effective response to COVID-19 is to establish trust in a digital future for Montenegro, especially e-commerce and e-services, since the pandemic has showcased the value of ICT and digital transformation and how governments should accelerate the transition.

It is important to implement mechanisms to raise awareness of community about the importance of digital services and tools, their efficiency and benefits such as reducing time and administrative procedures, cutting red tape, ease of monitoring the process of meeting requirements, direct communication with public administration.

UNDP and the Ministry will work on improving and interconnecting the current shared national infrastructure and software platforms while strengthening the Ministry technical capacities and raising awareness of community.

# Results and Partnerships

**Result area 1: Enhance digitalization of the public administration through the development of platforms and complex e-services**

By upgrading and developing additional service interfaces compliant with Service oriented architecture (SOA) principles to be able to communicate with other sub-systems developed, common ICT infrastructure and shared national systems/applications and services will be enhanced. Such improved shared national ICT infrastructure will support digital transformation in Montenegro.

In order to contribute to the development of e-services on both central and local level, through improving design, accessibility and functionality of the government portals and system for data collection, analytics and continuous improvement, new e-Citizen Portal will be developed. It will serve as a central virtual location integrating all available public e-services for citizens/legal entities in order to safely and in the most efficient way receive the requested service provided by the specific public institution, especially the systems for identification, authentication and payment of administrative taxes. The portal will operate in line with the modules for ‘Single sign’, internal user management module as well as a Document generation/signing module.

Also, the existing virtual location for the e-identification of all citizens/legal entities in the country will be integrated into the existing Montenegrin CAs (Certificate authority).

***A.1.1 Improvement of existing National Electronic Identity System***

This national electronic identity management system (NS-eID) enables the function of electronic identification, ie authentication and authorization of users when using electronic services at the national level, with different identifiers of domestic and foreign users, as well as using certification services of different service providers.

NS-eID through the system for confirmation (authentication and authorization) of electronic identity controls the application of users (citizens, businesses and others) to use the electronic service. NS-EID is a starting point for verifying the identity of various entities (citizens, business entities, public servants), which connects the electronic identities of entities and identification data (attributes) generated by different providers of electronic identification and attributes. Existing NS ID (National Electronic Identity System) software system will be upgraded with the development of service interfaces compliant with SOA (Service oriented architecture principles). The upgraded system will be able to communicate with other sub-systems developed within this project . NS eID system shall be integrated with the existing Montenegrin CAs (Certificate authority).

A baseline analysis will be done on current state of the NS eID system. NS eID system shall be integrated with the existing Montenegrin CAs (Certificate authority) and will have the functionality developed for the SSO (Single sign-on) feature, thus all developed applications/platform/services must use NS eID as IDP (Identity provider). It should provide capabilities to use real time connectivity with CPR (Central Population Registry) services, in order to deliver valid data for citizen/legal entities. This functionality is crucial part of identifying and allowing end users to utilize developed information system as intended. NS eID system upgrade pack should provide the necessary IT solution for collecting valid citizen/legal entity data, based on: presented certificate using new personal ID card, presented personal certificate issued by CA that is registered and authorized by the government of Montenegro. According to e-Government functional requirements NS eID system should be upgraded to achieve following:

* Citizen identification using only ID card (ID card with digital certificate)
* Citizen identification using personal digital certificate
* Authentication is allowed with digital certificate issued by authorised CA’s
* Use the transmission of citizen/legal entity data between MoI and e-Government platform

The public modules should be secured with NS eID system of theMinistry , thus the system shall provide secure log in of citizens/legal entities and will accumulate valid/accurate information on users, in addition to security protection.

***A.1.2 Improvement of existing National system for electronic payment of administrative taxes***

The information system for the collection of administrative fees should ensure the collection of all fees in all administrative and court proceedings and enable simple, consistent and logical control of collected fees, by establishing a central software system and associated database that would contain information on all fees paid and be able to, if necessary, present the same.

Existing NS-NAT (National system for electronic payment) software will be upgraded with the development of service interfaces compliant with SOA principles in order to enable the possibility for the e-payment of the administrative taxes for e-service offered. NS-NAT upgraded software system will enable all citizens/legal entities with the possibility to pay administrative taxes for required services online (certificates, licenses, permits, etc.) and to pay for the required services at the public institutions electronically. Within the upgrade of the software system, new functionalities will be created for citizens/legal entities on one side and for each public institution on the other. The public institution will therefore be able to monitor all payments of administrative taxes entitled for the specific service they offer and the final electronic transfer of funds. A baseline analysis will be done on current state of the NS NAT system.

***A.1.3 Improvement of existing system for electronic data exchange*** - ***Government Service Bus (SISEDE)***

Existing GSB/SISEDE system will be upgraded and integrated with the migration of current services and meta-register used, based on ESB (Enterprise Service Bus) standards. ESB is a pattern whereby a centralized software component performs integrations to backend systems (and translations of data models, deep connectivity, routing, and requests) and makes those integrations and translations available as service interfaces for reuse by new applications. The details on what needs to be upgraded will be agreed upon with the Ministry. All technical solutions identified will adhere as much as possible to the technical requirements specified in the “Attachment to the Invitation to Negotiate” (Supplement I: ESB/BPM REQUIRED COMPONENTS and SPECIFICATION).All source codes and technical specifications will be provided to Ministry.

***A.1.4 Development and implementation of Identity and access management and Document generation modules***

Auxiliary modules: internal Identity and access management (IAM) and Document generating module (DGM) will be developed to ensure functional modules for Single sign, internal user management module as well as a Document generation/signing module. They will be integrated with shared national information systems upon need.

Development of Auxiliary modules – Implementation of Application Building Block (ABB) with services integrated as universal SSO/IAM component and services integrated as universal document generation component must communicate with all other SBB’s in order to generate and digitally sign electronic documents. These modules must be technically designed to support containerization (will be packed as images for cloud infrastructure), high availability and scalability (both vertical and horizontal, supporting production in more load-balanced instances of software). Supporting modules to be designed and implemented in accordance to SOA architecture:

* Single sign on module/IAM

The internal user management module must cover all authentication and authorization functions for internal system modules and potentially other internal software modules. Internal SSO module must be implemented as new system module. It must provide information for all Montenegro institutions employees and will be useful for recording user activity as well as for tracking user accounts. It must comply with standard security protocols and user authentication service. Once logged-in to e-Government service, users do not have to login again to access a different application.

* Document generation/signing module

This module must provide complete set of functionalities related to creating personalized electronic documents, which must be created during execution of administrative procedure. These documents will be valid and serve as official result of administrative procedure. All documents generated using this module must be signed usingMinistry’s server digital certificate. This building block must provide user-friendly way of managing templates of documents, which will be needed for proper delivery of administrative procedures.

***A.1.5 Development and implementation of e-Administrative system***

Using BPM (Business Process Management) e-Administration system will be developed and implemented allowing for the establishment of centralized solution that can digitize/automate the Administrative procedures for all public institutions in Montenegro in line with the Law on the Administrative procedure. BPM is focusing on improving business performance by providing ability to agilely manage and optimize business processes. Its approach is to design, execute, document, measure, monitor, and control both automated and non-automated business processes to achieve consistent, targeted results aligned with strategic goals. BPM software must allow becoming more efficient, more effective and more capable of change, rather than a functionally focused, traditional hierarchical management approach. BPM will enable the continual improvement process methodology to be followed. It is crucial that required software solution is resilient to changes in the processes, provides ability to lead users through process, integrate instantly with other IT systems and satisfy all of the requirements of business process management platform in bellow sections. BPM is the point of connection between the business line and the IT department. It should centralize execution and monitoring of all business processes across Montenegro’s institutions.

***A.1.6 Development and implementation of e-Citizen portal***

E-Citizen Portal will be developed in order to provide a central virtual location integrating all available public e-services for citizens/legal entities in order to safely and in the most efficient way receive the requested service provided by the specific public institution. E-Citizen portal will be integrated with the system for identification, authentication and payment of administrative taxes.

Integration of e-Citizen portal with the system for identification, authentication and payment of administrative taxes will be generated. This platform module must provide citizens/legal entities, with the opportunity to submit/initiate the e-Administrative procedure related to selected government institution. At the Portal Catalogue of e-services will be developed as an online publication, where all services offered by public institutions are showed. It will provide descriptions of the services, name of institution providing the service, procedures, price lists, and similar. The Portal must be secured with NS eID system of theMinistry, thus the Portal must provide secure log in of citizens/legal entities and will accumulate valid/accurate information on users, in addition to security protection. In addition, it should:

* be designed as entry point for all citizens/legal entities that need to use electronic services, which will be published from BP
* be designed as entry point for all citizens that need to use existing government electronic services
* information system building block must depend on existing NS eID system implemented in the Ministry
* be protected service using NS eID system security
* logging to public portal will only be possible using personal ID card, or personal digital certificate issued by registered Certificate Authority in Montenegro. During this step, automated operation must acquire all necessary and correct user data by contacting web service over Government Service Bus.
* main user portal must be developed as a web application. This portal must be available using every standard web browser.
* design of every page must comply with predefined visual identity of Montenegro’s institutions
* design must be web responsive
* Public portal should include:
* Section for presenting available administrative procedures/services
* Section for tracking ongoing/submitted administrative procedures
* Section for managing (download/review) documentation which are result of completed administrative procedures
* Section for managing content from e-mailbox
* Section for reviewing/download content from NS-NAT system implemented in Ministry.

Having the same legal validity as other forms of procedures, this platform must provide simplification of procedures and scrapping of unnecessary levies.

Within the e-Citizen portal, e-Inbox module will be developed and implemented. This module must support the Ministry to establish a system for secured delivery of documents to end users of public services. It must be developed in accordance with the Law on Electronic Identification and Electronic Signature. Through personalized e-Inbox, citizens/legal entities will be able to safely view and manage messages sent to them by public administration and at the same time to access the desired e-services. This module must provide:

* Secure way of delivering messages to citizen
* Messages must include: email, SMS notifications, in-app notifications, PDF documents
* E-inbox must include complete history of government – citizen communication
* PDF documents must be digitally signed

This project will also support the Ministry to strengthen their internal coordination mechanisms and synchronise their work, in providing and development digital services and tools, meeting the needs of citizens and the business sector. These will be executed through the engagement of experts for the capacity building and for the ensuring efficient implementation of all project activities that will contribute to the accelerated digitalization of public administration, contributing to its transparency and accountability.

The capacities of the Ministry will be additionally enhanced by engaging local consultants which will be supporting the Ministry and working closely with UNDP Project team in order to strengthen the capacities of staff working closely on the development of platforms and services.

***A.1.7 Training for the use and utilization of the shared national information systems (SISEDE, NS eID, NS-NAT, e-Administration)***

Training in the use of SISEDE, NS eID, NS-NAT, e-Administration will be performed in the Ministry and other institutions responsible for connection of registers and launch of e-services outlined above. In order to implement comprehensive legislative, institutional and organisational changes and overall processes, it is necessary to take reform-oriented actions, as well as conduct additional specialist trainings of the staff in institutions. This activity should enable implementation of reforms and better use of the national shared systems. In this context, it is necessary to organise trainings of civil servants in the institutions and managers of institutions on system administration and management, as well as IT trainings for the staff working in institutions.

The overall result of this activity will be strengthened internal capacities in the Ministry and developed capacities in institutions, as well as system capacities for proper use, maintenance and further development of the newly established national shared systems for the entire public administration in Montenegro. Capacities of the Ministry will be strengthened to deliver these trainings in the future and lead on the process. All source codes and technical specifications of the developed IT systems and portals will be provided to Ministry.

**Result area 2: Establish an efficient and sustainable integrated system of simplified electronic procedures for citizens and businesses**

The decision on which e-services should be launched at the e-Citizen portal will be evidence-based according to list of priority services defined by Ministry and the survey which will be conducted with citizens and businesses while e-administrative procedures will be developed, using Business Process Management. New cost-effective and secure business and citizen-focused e-services (level 4 and level 5) will be developed, while the existing will be upgraded to the same levels, which will directly contribute to the significant utilization of the GSB.

There is a risk in digitalising bureaucracy. Therefore, before working on e-services, a simplification of existing procedures may be necessary. For this purpose, an analysis of the existing legal framework, identifying legal and implementation barriers and bottlenecks, together with the identification of possible amendments may be necessary.

In order for the e-services to be fully operational, in addition to infrastructure, it is necessary to provide capacity building for the administration in managing digital operations and tools. By providing a variety of trainings for managing and developing e-services in public administration and support in implementation of e-government solutions, human capacities to deal with e-governance will be enhanced and improved. The support will also be provided in establishing a network of civil servants dealing with ICT development in respective institutions, thus strengthening the cross-government coordination. Additionally, the project will enhance internal capacities of Ministry for the effective coordination and implementation of the digital government (or e-governance) strategy.

Also, in order to contribute to raising awareness of users on digitalisation, and to increase the use of business and citizen-focused e-government services, various engagement activities will be implemented. A set of communication and promotional activities will be designed and deployed throughout the duration of project implementation, depending on the e-service being launched. In order to hear citizens’ voice on the quality of launched services, several user experience and satisfaction surveys will be commissioned within this project, which will represent inputs for the authorities and development of different forms of engagement with citizens and businesses. Also, a simple system for collecting and processing feedback after provided e-service will be established in order to strengthen the citizens’ participation in future design of e-services.

***A.2.1 Development and implementation of selected interoperable e-services for citizens and businesses***

It is envisaged that the development work will concentrate on e-services which will have the biggest impact based on surveys of citizens and businesses. The final list of e-services will be defined in agreement with the Ministry and other relevant institutions, based on the survey with citizens and businesses. A baseline analysis will be done on current state of the additional registers readiness for publishing over the SISEDE System. UNDP will cooperate with SIGMA on the analysis of the existing legal framework, identifying legal and implementation barriers and bottlenecks, together with the identification of possible amendments, before creating e-services, in order to simplify procedures, both online and offline.

This is a provisional list of e-services to be developed and integrated with relevant institution’s systems and data:

* e-Maternity leave – supporting employers in the legal entities to report on the maternity leave of employees online
* e-Deceased – enabling registration of deceased citizens electronically (linking the Register of deceased citizens within the Ministry of Interior and Health IT systems in order to provide timely update of the status)
* e-Contributions – allowing citizens to make a simple online inquiry verifying that they have been paid employer contributions on a regular basis (thus supporting users to see if they have a termination of work contract at some stage, which later leads to the issue of not fulfilling retirement conditions)
* e-Newborns – supporting parents/legal guardian with the full registration of their newborns electronically
* e-Childbirth benefit - enabling parents to apply online for the reimbursement fee for child birth
* e-Students – enabling citizens to enroll in university institution via electronic registration without further need for paper-based applications and multiple visits to the institution (through a pilot project selecting the most suitable and resourceful higher level institution)
* e-School dormitory – providing citizens with the possibility to electronically apply for school dormitories located in Podgorica, Bar and Berane
* e-Student dormitory – enabling students while applying for academic, specialist or master studies at Universities in Montenegro to register online for the student dormitory
* e-Employment – supporting all interested citizens with online application for advertised positions in state administration bodies
* e-Address – allowing for online change of the resident address
* e-Business – supporting legal entities to receive trough e-service all required documents for public procurement procedures while developing following electronic requests:
* Excerpt from the central register of commercial entities of the Tax Administration authority
* Certificate confirming that government taxes and contributions are paid
* Certificate confirming that local taxes and contributions are paid
* Certificate of no criminal convictions of legal entity
* Certificate of no criminal convictions of legal entity’s CEO
* Certificate of no criminal convictions of citizens
* e-Tax – enabling all citizens owners of real estate in Montenegro to pay electronically their annual taxes
* e-NGO – registration of NGOs online with no further need to visit public institutions

Newly implemented platform for e-services will support both central and local level authorities with the provision of electronic service for citizens and legal entities. All e-services to be developed and improved through this project have a shared goal – enabling end users to exercise their rights on public services in the pandemic situation without any delays, thus minimizing the visits to the public institutions and respecting COVID-19 isolation measures imposed by the government. Citizens/legal entities will be enabled to continue with their activities during pandemic situation, but also in usual circumstances and many years after. This leads to the automation of services, ensuring that information regarding work of public institutions is easily available to all citizens and helps eliminating corruption. Overall, e-services will help in decreasing the burden on public institutions and possibility the reorganization of civil servants in managing more complex task

An Action plan for the implementation of the e-services will be developed, based on the consultations with the institutions which are responsible for keeping the data in the registers. The consultations will be done through a participatory event, where all relevant institutions will be convened.

***A.2.2 Capacity building of the Network of ICT practitioners***

In order to strengthen the cross-government coordination, the support will be provided in capacity building of a network of civil servants dealing with ICT development in both central and local institutions. ICT Network representatives will undergo workshops that will contribute to strengthening team coordination and creating a unique team of experts in public administration who will be specialized in the development of digital systems within their own institutions. Such expert team could provide leadership in the reframing the institutional arrangements to enhance efficiency of digital governance. Similarly, to the existing Strategic Planning Network, the ICT Network can work to connect experts/civil servants responsible for ICT, especially from ministries whose projects and activities are ICT intensive. Closer cooperation, exchange of information and development of ICT services in accordance with the goals of digital transformation would be ensured.

***A.2.3 Assessment of the*** ***needs of citizens and businesses on e-governance***

In order to find out what should be the priorities in terms of developing e-services, a survey will be carried out among citizens and businesses. The same survey will in parallel establish a baseline of current satisfaction of citizens and businesses with regard to the e-services. In addition, two more surveys will be carried out at the middle and by the end of the project, in order to measure the satisfaction of target groups throughout the project. The data gathered through the surveys will feed the variety of decision on development of e-services as well as serve as the indicator for the satisfaction of users with offered services. Development of surveys will be done in cooperation with relevant company with experience in qualitative and quantitative research techniques.

The project team will closely coordinate with the Ministry Communications Department and other relevant stakeholders in order to build on previous surveys and data collection related to the e-services.

***A.2.4 Developing and implementing instruments for continuous benefits of digital transformation, citizens’ awareness and engagement***

Depending on the e-services being launched, a set of promotional activities will be specifically designed and deployed. At the beginning of the project, a company for devising communication and promotional campaigns will be engaged in order to design a two-year plan which will not only promote the outputs of the project but will aim to promote the use of digital tools and to raise the general awareness of the citizens on the benefits of electronic and digital platforms. As e-services will target different groups, different channels for promotion will be used, such as, but not limited to, social media, TV ads and ads on most read internet portals as well as more sophisticated approaches to influencing behaviours (via multi-disciplinary teams – ethnologist, social psychologist, etc). The variety of communication forms and channels will ensure that the e-services reach their target groups. Special attention will be given to reaching vulnerable groups.

Special attention will be given to promotion and usage of e-services on local level. In pilot municipalities, technical assistance teams will be organized and equipped to train citizens how to use e-services, instead of using traditional counters.

In designing the awareness campaign, the project team will closely coordinate with Ministry Communications Department and other relevant stakeholders. It will synergize with the activities and the action plan developed within the project “Efficient Internal and External Communication of Public Administration Reform”, funded by the European Union.

***A.2.5 Developing the system for regular and continuous feedback collection***

A simple system for collecting and processing feedback after provided e-service will be established in order to strengthen the citizens’ participation in future design of e-services. The feedback will be collected after the e-service is delivered, through simple user-friendly questionnaire, collecting data on satisfaction and basic data on demographics (region, gender, age) which will help in further adjusting e-services to specific demographic groups.

**Result area 3: Improve data protection and digital inclusion of public institutions**

Modernization of public administration implies fulfilment of e-business, and the citizens of Montenegro expectations on the administration to be open, transparent, accessible to citizens. At the same time, the Government of Montenegro is implementing activities to achieve the goals of the Digital Agenda for Western Balkans getting closer to the EU standards. Full compliance with the EU standards is critical with regards to data protection, with information security representing the basic postulate of security and trust in electronic transactions. Application of information technologies, interoperability, electronic data exchange, open data, electronic identity and electronic payment are the basis for improving the work of public administration, further modernization and transparency of its work, as well as increasing the efficiency and quality of services provided by public administration. Of great importance for these processes is that the Ministry implements new projects according to the principles of General Regulation on Personal Data Protection. Having in mind the complexity of the topic, in cooperation with the Ministry, Personal Data Protection Agency, Human Resources Administration, Chamber of Economyand other stakeholders, the project will initiate events that will better acquaint the economy with effects and harmonization measures related to the Regulation, to remove existing barriers to the inclusion of domestic companies in the European digital market. In order to ensure that in the case of a disaster, no disruption in provision of services will happen and public servant are able to successfully provide public services, a detailed analysis will be organized and conducted.

***A3.1 Provide support for convergence of public and private sector security efforts towards transposed EU directives***

Further digitalization of government institutions and establishment of data registers will inevitably lead to possible automations of business processes between public and private sectors. Utilizing existing legal framework and security standards for data protection, Government institutions will be able to start offering specific data sets for public access via secured web services. Project will support the Ministry in identifying, enhancing and further enforcing necessary policies and technical setup that will ensure data exchange between public and private sector is possible and secured by security standards. A set of meeting and training activities will be specifically designed and deployed for Ministry and other relevant public and private sector users with goals:

* to acknowledge what Government systems and data is available for consumption and improve their utilization
* to increase knowledge and capacities in the area of data protection and cybersecurity.
* to improve legal framework and policies as necessary

***A3.2 Analysis and improvement of country’s business continuity plan for provision of e-services***

In order to ensure that in the case of a disaster, no disruption in provision of services will happen and public servant are able to successfully provide public services, a detailed analysis will be organized and conducted. Based on findings and recommendations, all necessary improvement measures toward establishment of a clear Business continuity plan for provision of e-services will be organized and applied, resulting in ability for public servants to provide public services remotely. The business continuity plan must also include continuous availability of all national shared systems and government infrastructure developed and upgraded in this project in support of e-Citizen portal and e-services. If necessary, Ministry would be supported in establishment of a business continuity and disaster recovery team. (through activity A.2.2)Additionally, a basic training should be provided for Ministry and other government employees (recognized as vital by analysis) in the area of disaster recovery and business continuity.

***Resources Required to Achieve the Expected Results***

The proposed project was designed through the consultative process with the Ministry (the beneficiary) and it will be implemented in close cooperation with the beneficiary and other stakeholders involved. The overall programme implementation will be divided into three phases: Inception, Implementation and Completion phase. The Inception Phase will last three months. The Project team and the Project Board will be established during the first weeks of the project. The Project team will carry out an in-depth analysis of the project objectives, results, indicators, and activities and prepare detailed project work plans. It will prepare the Inception Report which will elaborate on the original Description of the Action, Budget and Communications and Visibility Plan, propose possible adjustments and necessary amendments. The report shall describe initial findings, any difficulties encountered or expected in addition to the work plan as well as technical specification and delivering all required licenses and services in agreement with the Ministry. The Inception Report will be submitted to the Project Board for approval.

The Implementation Phase will consist of a number of activities corresponding with the specific objectives listed above. The Completion Phase will include the final project evaluation, which will be an external ex post evaluation. During Completion Phase, the Project Team will hand over the project infrastructure smoothly and with sustainability in mind, in accordance with the agreement between UNDP and EU.

UNDP will assume full responsibility and accountability for the overall management of the project, including monitoring and evaluation of interventions, achievement of the objectives and specified results, and the efficient and effective use of resources. The project will be implemented through Direct Implementation modality. The project costs are subject to direct project costing of operational services as per the UNDP procedures and in accordance with UNDP CO established practices. UNDP will apply the principles of Quality Management, by streamlining all internal working procedures, organizational structures and establishing standardized feedback and improvement mechanisms.

The Project Board will be responsible for making, management decisions for the project. It will be formed immediately upon start of the project. The Project Board’s scope of work will include making management decisions by consensus when required, including the approval of project plans and revisions, and the project manager’s tolerances. It reviews evidence on project performance based on monitoring, evaluation and reporting, including progress reports. The Project Board decisions are made in accordance with standards to ensure management for development results: best value for money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the board, a final decision shall rest with the UNDP Resident Representative.

The Project Board will include, at minimum, the representative of the Ministry, and representatives of the EU Delegation to Montenegro (EUD) and UNDP. It will be meeting twice a year during the project implementation when the project team will provide them with the narrative progress report. In addition to that representatives of UNDP, Ministry and EUD will have regular coordination meetings. An independent evaluation will take place at the end of the project implementation.

The proposed project implementation team that will be responsible for the overall implementation of the project including operational and financial responsibility includes:

UNDP will have the overall responsibility for the implementation of project activities and accountability for project implementation. The project duration is two years (24 months). The project shall be implemented by the UNDP project office located in Podgorica.

For an effective implementation of this project, UNDP will set up a Project Office embracing, as follows:

There are three types of costs related to the management and administration of the project that have been included in the Project management costs

* Management costs
* General Expenses
* Material costs.

The **management costs** will include staff managing the implementation of the project and in that sense, carrying out tasks that are directly attributable to the implementation of the project. The staff fees will be charged through project costs for the time spent directly attributable to the implementation of the project. Staff members (**Project manager, Project coordinator and Project Finance and Administration Officer**) are envisaged to be working on the implementation of the project full time.

**Project Manager** will be responsible for ensuring that the activities are efficiently managed in accordance with the UNDP standards and best practices.

**Project Coordinator** will work under the supervision of the Project Manager to ensure that all aspects of project implementation and coordination with regard to the specific objectives are in place.

**Project Finance and Administration Officer** will provide daily financial, administrative and logistical support for the project implementation.

**Team Leader** for Democratic Governance Cluster will provide oversight over the project implementation. He will be responsible for providing strategic advice, controlling, reporting and submitting financial disbursement requests. **Procurement Associate** and **Communication Officer** will be charged through direct project costs for the time spent directly attributable to the implementation of the project.

The project management staff will carry out the following duties:

• Ensure the effective administration of the project, coordinate with country offices and partners, ensure the timely delivery of outputs as well as effective financial and activity reporting to the donor.

• Ensure results oriented, effective, efficient and accountable implementation of activities and focusing on achievement of project results specified in the project document, to the required standard of quality and within the specified constraints of time and costs.

Procurement Associate will carry out following duties:

* providing support in identification of procurement modalities, facilitating quality, transparent, effective and fast procurement processes;
* supporting the project in the launch and publicity of procurement processes;
* advising in project procurement evaluation processes; supporting in negotiations with potential contractors (as needed);
* assisting in the process of contracting, monitoring of contracts.
* supporting engagement of consultants and their contracts.

The Procurement Associate will spend 20% of his/her time to the project.

**Communication officer** will be responsible for the clearance of the external communication of the project, to ensure compliance with the Communications and visibility plan of the project and UNDP rules and regulations, in cooperation with the UNDP Project team and Ministry communication unit, in accordance with the EC-UN Joint Visibility Guidelines. The Communications Officer will be charged through direct project costs for the time spent directly attributable to the implementation of the project, not exceeding 50% of the working time.

**General costs** include travel costs of the project team, other persons directly assigned to the operations of the project, and local consultants for the purpose of project coordination and implementation, as well as internet costs, water supply, telephones, security, reception, building maintenance and cleaning, pertaining from the project management.

**Material Expenses** will cover office supplies for the project office. This include the procurement of laptops for the project team and local consultants, and office supplies and stationery.

***Partnerships***

The proposed project was designed through the consultative process with the Ministry (the beneficiary) and it will be implemented in close cooperation with the beneficiary and other stakeholders involved. UNDP will assume full responsibility and accountability for the overall management of the Project, including monitoring and evaluation of interventions, achieving of the objectives and specified results, and the efficient and effective use of resources. The project will be implemented through Direct Implementation modality. The project costs are subject to direct project costing of operational services as per the UNDP procedures and in accordance with UNDP CO established practices. UNDP will apply the principles of Quality Management, by streamlining all internal working procedures, organizational structures and establishing standardized feedback and improvement mechanisms.

***Risks and Assumptions***

|  |  |  |  |
| --- | --- | --- | --- |
| **Risks** | **Impact** | **Likelihood** | **Mitigating measures** |
| Delays in implementation due to the change in political landscape and turnover of government officials | H | M | Through initial high-level consultations with key government counterparts, invest further efforts on gaining the commitment from the high political level on further reforms of service delivery. |
| Delays in project implementation due to the focus shift and de-prioritization of digital transformation in relation to other priorities in light of COVID-19 crisis | H | M | Commitment from all institutional stakeholders involved from the start of the programme implementation. Communication and dissemination activities will be deployed to promote acceptance of innovative, transparent, digital solutions. |
| Resistance of individual institutions to implement new and innovative digital approaches | M | M | UNDP will work with the public institutions and the private sector counterparts and CSOs, facilitate the dialogue and build capacities through the technical assistance. |
| Insufficient technical skills and knowledge in the public sector institutions to support the implementation of the project activities | M | M | The project will offer tailored made technical assistance and capacity building programmes for the civil servants and ICT practitioners. |

***Stakeholder Engagement***

For the purpose of this project, the target groups for this project intervention have been broadly categorised in two key groups:

1. Key stakeholders and
2. End beneficiaries

Key stakeholders:

* Ministry of Public Administration, Digital Society and Media (various directorates and departments within the Ministry)
* Other ministries and institutions which provide digital services
* Council for Electronic Administration
* Council for Public Administration Reform
* Local self-governments

End beneficiaries:

Citizens

Civil society

Businesses

Besides these two main target groups categories, the project will communicate to one more group: *development community and donors* supporting the public administration reform

**Specific objectives for each target group**

1. *Key Stakeholders* will beregularly involved and informed about the planned activities, their obligations and results/impact of the project.
2. *End Beneficiaries* will be informed of the main objectives, progress and outcomes of the project, in a way which clearly communicated how the project will improve service delivery and benefit their everyday lives.
3. *Development community and donors* will be regularly convened and informed with the intention of coordinating the activities on LSG development supported by different international stakeholders, as well as with the aim of highlighting key achievements of the project.

According to recent researches, almost 80% of citizens is not informed about digital services, and six out of ten would prefer to go to a counter rather than use e-services, regardless of cost. For this reason, communication and awareness raising on benefits of digital services will be a significant part of this project. In designing the awareness campaign, the project team will closely coordinate with Ministry Communications Department and other relevant stakeholders. It will synergize with the activities and the action plan developed within the project “Efficient Internal and External Communication of Public Administration Reform”, funded by the European Union.

The communication and visibility plan will be closely linked with key stages in project intervention so that project activities and initiatives are regularly feeding into its contents and material development. Although one of the technical assistance projects within Sector Budget Support to Public Administration Reform in Montenegro refers only to visibility, communication (internal/external) and management change, the activities listed below will relate solely to the specific objectives of this project.

The plan will encompass the following activities:

* 1. Communicating with the Key Stakeholders: The success of the project will massively depend on clear and timely communication with the key stakeholders. Therefore, the project will have a strong strategic communication component which will complement the envisaged activities. The communication actions will involve meetings with all institutions involved in the implementation of the project activities and clear and timely communication on their obligations and capacity building needs.
  2. Promotional events: Launch of new e-services for citizens and business will be followed up by launch and promotional events, where the final beneficiaries and general public will be informed about the services and their benefits for the end users.
  3. Presentations: To support the abovementioned meetings, as well as other events, presentations on the project purpose, results, methodology will be prepared and used at various occasions (meetings with stakeholders, meetings with other developmental partners, public events, etc.).
  4. Project briefs: In order to ensure that consistent key messages on the project purpose and intended results are communicated, project briefs will be developed. The project briefs will be concise, clear and communicating end benefits to the citizens, businesses and national/local government units. The project briefs will be used in direct, face-to-face communication with the previously mentioned target audiences, but will also be made available on the online communication channels, such as websites and social media outlets.
  5. Press releases: In support of key activities and milestones of the project, the project will issue press releases to mainstream media outlets, which would also be released on the UNDP, Ministry and DEU websites and social media pages. This set of activities will reach a wide-ranging group of people, in and outside Montenegro.
  6. Project Analysis and Reports: Project outputs involve numerous documents, mainly of analytical and evidence-based nature. The documents will provide inputs and evidence needed for the full achievement of project results. They will provide recommendations for the improvements of related legislative and policy frameworks, needed for the project and PAR success. The documents, i.e. their content will be used as information for the different projects activities, and their recommendations will be communicated with the relevant stakeholders.
  7. Online communication activities: UNDP, Ministry, EU Delegation and EU Info Centre websites and social media outlets will be used to communicate clear messages of the project purpose, results and specific activities. All implementing agencies will share achievements and events through their websites and social media sites, using brief and clear posts, but also sharing web stories and blog posts. The external communication and visibility will be closely linked with key stages in project intervention so that project activities and initiatives are regularly feeding into its contents and material development.
  8. Video animation and other promotional materials for promoting new e-services: Video animation and other promotional materials will be created for the purpose of presenting the benefits of the project for the citizens. The animation and the materials will be featured at the launch events, online communication channels and media.
  9. Visuals: High-resolution imagery will be taken throughout the course of the project to be used and communicated when needed, on electronic platforms along with relevant contents, or in the other project materials.
  10. Development community and donors related communication activities: Development community and donors will be regularly convened and informed with the intention of coordinating the activities on public administration reform supported by different international stakeholders, as well as with the aim of highlighting key achievements of the project.

***South-South and Triangular Cooperation (SSC/TrC)***

N/A.

***Knowledge***

A number of documents will be produced within the project. In terms of capacity building activities, a plan will be made for each capacity building activity, as well as the reports and evaluation as the follow-up, which will contain lessons learned and serve as a guidance for similar future projects. In addition, different manuals will be developed upon the development of systems, which will serve as guidelines for the users who will manage the system. The communication and visibility plan will be developed at the beginning of the project and will we the backbone of all communication, awareness rising and visibility activities throughout the project. These will present useful knowledge tools for interested staff.

***Gender mainstreaming***

UNDP has strong corporate commitment towards gender mainstreaming with record of long- lasting good practices in the CO Montenegro office, certified with global gold standards in gender mainstreaming. UNDP has been working in the country in creating strategic and legal frameworks for gender equality and gender mainstreaming since 2008 and implements program focusing on gender concerns from EU IPA financial support. Montenegro, has been signatory of all relevant UN and CoE conventions and on its path towards EU membership needs to further develop capacities for gender mainstreaming and assure its meaningful implementation.

Gender equality is fundamental value and core activity for the EU and therefore the Commission’s 2010-2015 strategy for gender equality is a reference framework for increased effort at all levels, be they European, national, regional or local. It continues to corroborate the 2011-2020 European Pact for gender equality and addresses evaluated strengths and weaknesses of the Strategy for equality between women and men (2010-2015). New strategic engagement to gender equality 2016-2019 marks a new phase in EU corporate efforts to assure that gender mainstreaming action is perceived as of particular relevance. It emphasizes the need to integrate a gender equality perspective into all EU policies as well as into EU funding programmes. The most recent Gender Equality Strategy (2020-2025) sets out what the Commission will do, across all policy areas, to work towards achieving a Union of gender equality for all, where gender-based violence, sex discrimination and structural inequality between women and men are a thing of the past, committing to mainstreaming a gender perspective in policy and activities ensures that these adequately respond to the needs and maximise the potential of women and men, girls and boys, in all their diversity.

Montenegro, as well as EU and UN had chosen two-fold approach where one is specific issue- oriented work through programs (such as LGBT rights, women in decision making, etc.) and second is gender mainstreaming approach into all policies and programs (such as gender responsive employment programs).

In this context, Project “E-services and digital infrastructure as COVID-19 response measure” will in line with its objectives, contribute to gender mainstreaming in policy development through following key interventions:

* Surveys which will be conducted as to explore which e-services citizens see as a priority will be designed as to include women’s opinion and their priorities in terms of specific services, followed by the design and development of services.
* Communication and visibility plan, which will be developed at the beginning of the Project, will be gender mainstreamed and will pay special attention to women, their needs and channels of communication mostly used.
* With regard to recruitment of other local and international consultants as well as in the process of contracting companies, UNDP corporate requirement is to include gender mainstreaming competences while also paying special attention to the gender balance of the employees.
* All training modules developed during the course of the project should integrate gender mainstreaming aspects, such as use of gender sensitive language and integrate data and gender analyses in briefings.

***Sustainability and Scaling Up***

The expected impact of the Project will be manifold. The government itself and the Ministry are committed to the delivery of the objectives, which provide a general sustainability outlook to this project.

Sustainability will be ensured through capacity building component aimed at Ministry to coordinate and lead e-governance policy and capacities of other authorities to provide e-services, implement different solutions and ensure data protection. The project’s capacity building element will cut across both local and state level and improved skills and knowledge will in turn positively impact e-governance initiatives beyond the project duration.

Also, the Network of ICT practitioners will outlive the duration of the project and potentially it will generate future ideas in the area of e-governance.

Additionally, the system for feedback collection will serve as reliable, evidence-based input for the decision makers and relevant authorities to improve e-services over time, but it will also serve to collect feedback from specific demographic groups in order to adjust e-service in line with users’ needs.

All platforms developed through the Project will be reliable and secure, carefully designed in order to ensure interoperability. These platforms will be made in a way to also allow changes over time, in accordance with needs of users, as well as future technology developments. All source codes and technical specifications of the developed IT systems and portals will be provided to Ministry.

# Project Management

***Cost Efficiency and Effectiveness***

The proposed project implementation team includes a Project Manager (full time 100%), Project Coordinator (Full time 100%) Project Finance and Administration Officer (full time 100%).

The UNDP Project team will cooperate with other project teams (PAR, E-governance, Efficient and transparent local self-governments) in order to secure the coherence of the project interventions and activities and speed up the projects processes.

Additionally, all project activities will be carefully planned and monitored by the Project Board members, which include representatives of donor, beneficiary and UNDP.

# Results Framework[[7]](#footnote-8)

| **Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:** By 2021, people-centred, accountable, transparent and effective judiciary, Parliament, public administration and independent institutions ensure security, equal access to justice and quality services to all people. |
| --- |
| **Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:**  Output 1.2. To contribute to the transparent, efficient and service-oriented public administration.  Government effectiveness (WB) Baseline: 60.10 (2015) Target: 62.00 (2018) 65.00 (2020) |
| **Applicable Output(s) from the UNDP Strategic Plan:**  Accelerating structural transformations for sustainable development, especially through innovative solutions that have multiplier effects across the Sustainable Development Goals; |
| **Project title and Atlas Project Number**: E-services and digital infrastructure as COVID-19 response measure 00132790 |

| **EXPECTED OUTPUTS** | **OUTPUT INDICATORS[[8]](#footnote-9)** | **BASELINE** | | |  | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Value** | **Year** | **Year 2021** | | **Year 2022** | DATA COLLECTION METHODS & RISKS |
| **Output 1**  *Enhance digitalization of the public administration through the development of platforms and complex e-services* | E Citizens portal developed | E Citizens portal does not exist | 2020 | E Citizens portal developed by the end of 2021 | | E Citizens portal developed and operational by the end of 2022 | E Citizens portal, Project Report, Report by the Ministry of Public Administration, digital society and media |
| **Output 2.** *Establish an efficient and sustainable integrated system of simplified electronic procedures for citizens and businesses* | % of the surveyed citizens who are aware of the digitalization of the public service provision | 31,5% | 2020 | 33% of the surveyed citizens are aware of the digitalization of the public service provision by the end of 2021 | | 35% of the surveyed citizens are aware of the digitalization of the public service provision by the end of 2022 | Assessment of the needs of citizens and businesses on e-governance |
| ***Output 3.*** *Improve data protection and digital inclusion of public institutions* | Number of public administration institutions where data protection and security provisions are fully set up in | 0 public administration institutions with the data protection and security system fully set-up | 2020 | 2 public administration institutions with the data protection and security provision fully set-up by the end of 2021 | | 5 public administration institutions with the data protection fully set-up by the end of 2022 | Public Administration Reform Strategy Annual Reports |

# Monitoring And Evaluation

In accordance with UNDP’s programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

**Monitoring Plan**

|  |  |  |  |
| --- | --- | --- | --- |
| **Monitoring Activity** | **Purpose** | **Frequency** | **Expected Action** |
| **Track results progress** | Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs. | Semi-Annually, or in the frequency required for each indicator. | Slower than expected progress will be addressed by project management. |
| **Monitor and Manage Risk** | Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. | Twice a year | Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken. All aspects of engaging consultants, organizing workshops, identifying participants and eligible costs will be defined by the Project Board members for the upcoming six months period. |
| **Learn** | Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project. | At least annually | Relevant lessons are captured by the project team and used to inform management decisions. |
| **Annual Project Quality Assurance** | The quality of the project will be assessed against UNDP’s quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project. | Annually | Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance. |
| **Review and Make Course Corrections** | Internal review of data and evidence from all monitoring actions to inform decision making. | At least annually | Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections. |
| **Project Report** | A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period. | Annually and at the end of the project (final report), while narrative reports will be prepared every six months. |  |
| **Project Review (Project Board)** | The project’s governance mechanism (project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project’s final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences. | Twice a year | Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified. |

# Multi-Year Work Plan [[9]](#footnote-10)[[10]](#footnote-11)

**Project "E-services and digital infrastructure as COVID-19 response measure"**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project** | **Key Activities** | **All years** | | **Year 1** | | **Year 2** | | **Year 3** | |
| Budget Description | Amount in USD | Budget Description | Amount in USD | Budget Description | Amount in USD | Budget Description | Amount in USD |
| Project "E-services and digital infrastructure as COVID-19 response measure" | Project Management | 71400 Contractual Services-Individ | 186,530 | 71400 Contractual Services-Individ | 93,265 | 71400 Contractual Services-Individ | 93,265 | 71400 Contractual Services-Individ |  |
| 71600 Travel | 7,340 | 71600 Travel | 3,670 | 71600 Travel | 3,670 | 71600 Travel |  |
| 73400 Rental & Maint of Other Equipment | 23,964 | 73400 Rental & Maint of Other Equipment | 11,982 | 73400 Rental & Maint of Other Equipment | 11,982 | 73400 Rental & Maint of Other Equipment |  |
| 74596 Services to Projects - GOE | 58,382 | 74596 Services to Projects - GOE | 29,191 | 74596 Services to Projects - GOE | 29,191 | 74596 Services to Projects - GOE |  |
| 72200 Equipment and Furniture | 7,896 | 72200 Equipment and Furniture | 7,896 | 72200 Equipment and Furniture | 0 | 72200 Equipment and Furniture |  |
| 72500 Supplies | 860 | 72500 Supplies | 430 | 72500 Supplies | 430 | 72500 Supplies |  |
| **Eligible Direct Cost** | **284,972** | **Eligible Direct Cost** | **146,434** | **Eligible Direct Cost** | **138,538** | **Eligible Direct Cost** | **0** |
|  | **Eligible Indirect costs (7%)** | **19,948** |  | **10,250** |  | **9,698** |  | **0** |
| SO1 (Shared systems development) | 71200 International Consultant | 39,000 | 71200 International Consultant | 17,000 | 71200 International Consultant | 22,000 | 71200 International Consultant |  |
| 71300 Local Consultants | 96,814 | 71300 Local Consultants | 48,342 | 71300 Local Consultants | 48,472 | 71300 Local Consultants |  |
| 74200 Audio Visual & Print Prod Costs | 5,088 | 74200 Audio Visual & Print Prod Costs | 2,544 | 74200 Audio Visual & Print Prod Costs | 2,544 | 74200 Audio Visual & Print Prod Costs |  |
| 72400 Communication and visibility | 5,000 | 72400 Communication and visibility | 2,500 | 72400 Communication and visibility | 2,500 | 72400 Communication and visibility |  |
| 72100 Contractual Services-Companies | 826,489 | 72100 Contractual Services-Companies | 521,723 | 72100 Contractual Services-Companies | 304,766 | 72100 Contractual Services-Companies |  |
| **Eligible Direct Cost** | **972,391** | **Eligible Direct Cost** | **592,109** | **Eligible Direct Cost** | **380,282** | **Eligible Direct Cost** | **0** |
|  | **Eligible Indirect costs (7%)** | **68,067** |  | **41,448** |  | **26,620** |  | **0** |
| SO2 (e-services development) | 71200 International Consultant | 29,000 | 71200 International Consultant | 12,000 | 71200 International Consultant | 17,000 | 71200 International Consultant |  |
| 71300 Local Consultants | 63,000 | 71300 Local Consultants | 28,000 | 71300 Local Consultants | 35,000 | 71300 Local Consultants |  |
| 72100 Contractual Services-Companies | 458,100 | 72100 Contractual Services-Companies | 229,050 | 72100 Contractual Services-Companies | 229,050 | 72100 Contractual Services-Companies |  |
| 74200 Audio Visual & Print Prod Costs | 5,000 | 74200 Audio Visual & Print Prod Costs | 2,500 | 74200 Audio Visual & Print Prod Costs | 2,500 | 74200 Audio Visual & Print Prod Costs |  |
| 72400 Communication and visibility | 135,686 | 72400 Communication and visibility | 67,843 | 72400 Communication and visibility | 67,843 | 72400 Communication and visibility |  |
| **Eligible Direct Cost** | **690,786** | **Eligible Direct Cost** | **339,393** | **Eligible Direct Cost** | **351,393** | **Eligible Direct Cost** |  |
|  | **Eligible Indirect costs (7%)** | **48,355** |  | **23,758** |  | **24,598** |  | **0** |
| SO3 (Data protection) | 71200 International Consultant | 27,242 | 71200 International Consultant | 10,982 | 71200 International Consultant | 11,260 | 71200 International Consultant | 5,000 |
| 71300 Local Consultants | 5,000 | 71300 Local Consultants | 2,500 | 71300 Local Consultants | 2,500 | 71300 Local Consultants | 0 |
| 72100 Contractual Services-Companies | 125,400 | 72100 Contractual Services-Companies | 102,700 | 72100 Contractual Services-Companies | 22,700 | 72100 Contractual Services-Companies | 0 |
| 74200 Audio Visual & Print Prod Costs | 5,200 | 74200 Audio Visual & Print Prod Costs | 2,600 | 74200 Audio Visual & Print Prod Costs | 2,100 | 74200 Audio Visual & Print Prod Costs | 500 |
| 72400 Communication and visibility | 6,000 | 72400 Communication and visibility | 3,000 | 72400 Communication and visibility | 2,500 | 72400 Communication and visibility | 500 |
| **Eligible Direct Cost** | **168,842** | **Eligible Direct Cost** | **121,782** | **Eligible Direct Cost** | **41,060** | **Eligible Direct Cost** | **6,000** |
|  |  | **Eligible Indirect costs (7%)** | **11,819** |  | **8,525** |  | **2,874** |  | **420** |
| **Eligible Direct Costs** | | | **2,116,991** |  | **1,199,718** |  | **911,273** |  | **6,000** |
| **Eligible Indirect Costs (7%)** | | | **148,189** |  | **83,980** |  | **63,789** |  | **420** |
| **Total Eligible Cost of the Action** | | | **2,265,180** |  | **1,283,698** |  | **975,062** |  | **6,420** |

# Governance and Management Arrangements

The project will be managed and implemented by UNDP CO Montenegro within the DIM modality, in line with the UNDP Programming for Results Management User Guide. The Project Board will be responsible for making, management decisions for the Project. It will be formed immediately upon start of the Project. The Project Board’s scope of work will include project oversight, as well as regular review of work plans and reports. In addition to overseeing the Project implementation progress, the Project Board will provide strategic guidance, as well as give final approval to milestone strategic and operational matters.

The Project Board will include the representative of the UNDP in the capacity of the Chairperson, and representative of the Ministry of Public Administration, Digital Society and Media and the representative of the Delegation of the European Union. It will be meeting twice a year during the project implementation. In addition to that representatives of UNDP and Ministry will have regular coordination meetings. In order to ensure UNDP’s ultimate accountability, final decision-making rests with UNDP in accordance with its applicable regulations, rules, policies and procedures.

The project team will provide strategic advice and administrative support and is responsible for financial disbursements, controlling and reporting. Staff members (**Project manager, Project coordinator and Project Finance and Administration Officer**) are envisaged to be working on the implementation of the project full time.

The quality assurance and the monitoring of project results would be ensured by UNDP in accordance with the standardised procedure and regular monitoring of the Project results against the Results Framework and adopted Work Plan.

**Team Leader**

**Project Board**

**Senior Beneficiary (MPA)**

**Executive (UNDP)**

**Senior Supplier (EU Delegation)**

**Project Support**

**Project Organisation Structure**

**Programme manager**

**Project coordinator**

**Project Assistant**

# Legal Context

**The country has signed the** [**Standard Basic Assistance Agreement (SBAA)**](http://intra.undp.org/bdp/archive-programming-manual/docs/reference-centre/chapter6/sbaa.pdf)

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date).   All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by [name of entity] (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

# Risk Management

**UNDP (DIM)**

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the [project funds][[11]](#footnote-12) [UNDP funds received pursuant to the Project Document][[12]](#footnote-13) are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies and procedures.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:
   1. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP’s property in such responsible party’s, subcontractor’s and sub-recipient’s custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
      1. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
      2. assume all risks and liabilities related to such responsible party’s, subcontractor’s and sub-recipient’s security, and the full implementation of the security plan.
   2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party’s, subcontractor’s and sub-recipient’s obligations under this Project Document.
   3. In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.
   4. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
   5. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
   6. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants’, subcontractors’ and sub-recipients’) premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
   7. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP’s Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

* 1. Each responsible party, subcontractor or sub-recipient agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of the Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

*Note:* The term “Project Document” as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

* 1. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
  2. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
  3. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled “Risk Management Standard Clauses” are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

# ANNEXES

1. **Project Quality Assurance Report**
2. **Annex 2 – Social and Environmental Screening**
3. **Annex 3 – Risk Log**

1. within Low, Middle, High and Very High levels [↑](#footnote-ref-2)
2. by exchanging data between Ministry of Education, Ministry of Interior and Ministry of Labour and Social Welfare [↑](#footnote-ref-3)
3. by exchanging data between Ministry of interior, Central registry of business entities, Tax Administration [↑](#footnote-ref-4)
4. *Improving the public service delivery in Montenegro - Catalogue of services to be supported by SISEDE*, UNDP, July 2019 [↑](#footnote-ref-5)
5. *Survey on the use and attitudes towards e-services among citizens and businesses in Montenegro*, UNDP, August 2019 [↑](#footnote-ref-6)
6. *ICT as a driver for further development of Montenegro,* UNDP, August 2018 [↑](#footnote-ref-7)
7. UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project. [↑](#footnote-ref-8)
8. It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant. [↑](#footnote-ref-9)
9. Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32 [↑](#footnote-ref-10)
10. Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years. [↑](#footnote-ref-11)
11. To be used where UNDP is the Implementing Partner [↑](#footnote-ref-12)
12. To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner [↑](#footnote-ref-13)