



*Empowered lives.
Resilient nations.*

United Nations Development Programme

Support for the design of reform strategies for more cost-effective social protection system

| | |
|--------------------------------|---|
| Project Title | “SYNERGETIC SOCIAL SYSTEM” |
| Expected CP Outcome(s): | Strengthening social welfare system |
| Expected Output(s): | Output 1 - Project Management Team (PMT) and Inter-sectoral Expert Committee established (ISEC) Output 2 - Data Summary Report prepared and published Output 3 - Capacities of the members of Inter-sectoral Expert Committee strengthened Output 4 - Transferability Analysis of best practices prepared and published Output 5 - The Strategy for cost-effective social protection system in Croatia prepared Output 6 - Communication campaigns organised |
| Responsible Parties: | United Nations Development Programme - Country Office Croatia Ministry of Social Policy and Youth of the Republic of Croatia |

Brief Description

The objective of the action "Synergetic Social system" is to create the Strategy for cost-effective social protection system in the Republic of Croatia, thereby avoiding overlaps in social assistance benefits on national and local level. It is estimated that currently social protection system discourages employment; produces distortions in financial assistance delivery due to the lack of evidence based targeting and suffers from a lack of effectiveness. Recognising the need for consolidation of the system of social benefits, the project will collect data on all social assistance programmes on local level; analyse budgetary allocations and review them from a comparative perspective. This should result in a number of action oriented policy recommendations on improved targeting of vulnerable groups with lowest possible budgetary cost and with the greatest possible positive impact on social inclusion and employment under adverse budgetary and demographic conditions.

Programme Period: 2014-2016

Key Result Area (Strategic Plan): Sustainable Development Pathways
Strategy for cost-effective social protection system in Republic of Croatia

Atlas Award ID: _____

Start date: 01/10/2014
End Date 31/03/2016

AWP budget: 57.750 EUR

Total UNDP resources required: 57.750 EUR

Contractor- Ministry of Social Policy and Youth

Agreed by Ministry of Social Policy and Youth

Milanka Opačić

Title: Deputy Prime Minister and Minister of Social Policy and Youth

Date: 27/01/2015



Agreed by UNDP:

Sandra Vlašić

Title: Head of Office

Date

29.1.2015.



I. Background

The Republic of Croatia recognized gaps in social protection system and addressed them in Strategy of the Governmental programme for the period 2012-2014 which outlines that the Ministry of Social Policy and Youth (MSPY) will consolidate the system of social assistance benefits and minimize their administration with an aim to simplify access to social rights and services while ensuring minimum living standard for those in need. Therefore, this action is a realization of a policy set by the Government based on the initial assessment suggesting that further improvements in social protection field must be made to avoid overlapping of social assistance benefit programmes on national and local level, while particular focus needs to be on local level financial assistance programmes. The main objective of such an action is to create reform strategies for more cost-effective social protection system in Croatia targeting poor and those at risk of poverty, which will deliver adequate, timely and universal social protection at lowest possible budgetary cost and with greatest possible positive impact on social inclusion, work activation and employment.

Since the competence for social benefits is vested with the Ministry of Social Policy and Youth, although other ministries and regional/local governments design and deliver social programmes, the Ministry is taking a proactive stance to collect data from all levels, analyse them and in partnership with stakeholders propose measures to create synergy between numerous programmes. A first step in this direction is a Social Welfare Act which proposed to consolidate four different types of social assistance benefits under competence of three different ministries into one, so called "Guaranteed minimum assistance". It is expected that this benefit will stimulate employment since the maximum amount of this assistance will correspond to minimum average wage in Croatia. This is the first step towards consolidation of social assistance benefits on the national level. Activities will support ongoing reform processes and will target inefficiencies of the social protection system, by identifying potentials for improved cost-effectiveness. It is envisaged that this project will contribute to preparation of the strategy for synergy between of other benefits from different fields on national and local level which will ensure further adjustments that are incentive for the employment. Development of the Data summary report mapping social benefit programmes on both local and national level and of the Transferability analysis of best practices will serve as background documents guiding consultative process in the preparation of Strategy for cost-effective social protection system. In addition, the project will contribute to capacity building of social protection experts, providing them with knowledge and skills relevant for the preparation of the documents and ensuring mutual learning and knowledge sharing, building up better policy coordination and partnership network. Main outputs of the project - Transferability Analysis of best practices and the Strategy for cost-effective social protection system in Croatia will serve as the main documents which will further drive reform processes in making Croatian social protection system more cost-effective. The project will also contribute to mutual learning and cooperation on transnational level.

Situation Analysis

The objective of the action "Synergetic Social system" is to create the Strategy for cost-effective social protection system in Republic of Croatia, thereby avoiding overlaps in social assistance benefits on national and local level. It is estimated that currently social protection system discourages employment; produces distortions in financial assistance delivery due to the lack of evidence based targeting and suffers from a lack of effectiveness. Recognising the need for consolidation of the system of social benefits, UNDP and Ministry of Social Policy and Youth are proposing an action that will collect data on all social assistance programmes on local level; analyse budgetary allocations and review them from a comparative perspective. This should result in a number of action oriented policy recommendations on improved targeting of vulnerable groups with lowest possible budgetary cost

and with the greatest possible positive impact on social inclusion and employment under adverse budgetary and demographic conditions.

II. Strategy

The strategy of the Programme is to simultaneously examine and enhance: i) local capacities for social assistance programmes analysis, planning and delivery in the context of limited resources; ii) the responsiveness of local institutions social programmes planning; and iii) improve the coordination between national and local legal and policy framework for poverty reduction. This will be achieved through a set of inter-related data collection and analytical interventions at the national and local level. Ministry of Social Policy and Youth and UNDP will jointly reach out to a number of national and local level partners in order to create broad based platform as a part of consultative process. Project Management Board will be established Within the Ministry of Social Policy and Youth and UNDP, the Project Management Team as a body responsible for technical support to Project implementation.

In order to ensure horizontal and vertical information exchange and to coordinate actions designed an Inter-sectoral Expert Committee will be established. It will include at least 16 representatives of the following institutions: Ministry of Social Policy and Youth, Ministry of Finance, Ministry of Public Administration, Ministry of Regional Development and EU Funds, Ministry of Science, Education and Sports, World Bank, European Commission, UNDP Croatia, representatives of local and regional self-government units and representatives of civil society organizations and an international expert with part-time engagement.

The project will adopt participatory approach and ethnographic methods combining expert inputs from relevant sectors as well as inputs from broader stakeholder consultations and during study visits. All consultative meetings (Inter-sectoral Expert Committee, regional round tables and conferences) will be duly recorded and their inputs and suggestions built in relevant activities. Qualitative and discourse analysis methods will be used when analysing social protection system and social assistance benefits programmes. Equity perspective will be adopted while analysing budgetary allocations. Quantitative methods will be applied when assessing budgets at the national, regional and local level with a focus on equity and gender responsive budgeting. Budget impact analysis will be carried out synthesizing the available knowledge in order to provide a range of predictions. The budget impact analysis will address following key elements: overall design, the perspective, scenarios to be compared, user groups, time horizon and costing. External expertise will be used for the data collection and analysis of social assistance benefits system on national and local level and Data Summary report preparation. The team working on data collection and analysis will consist of senior social policy expert/ team leader, senior economist and junior social economist. External expertise will be sought from an international expert reviewing Croatian social protection system in comparison to those from two selected countries: Slovenia and Austria. During study trips to Slovenia and Austria, a number of workshops and meeting with Slovene and Austrian expert counterparts will be organised, providing for external and international expertise exchange.

III. Project Intervention Logic

Programme objectives and results

The specific objective of this project is to create the Strategy for cost-effective social protection system in Croatia with the goal to avoid overlaps in social assistance benefits on national and local level. Strategy implementation as a further step through the European Social Fund will result in better targeting of social vulnerable groups with lowest possible budgetary cost and with greatest possible positive impact on social inclusion, employment and growth, thereby achieving maximum sustainability under adverse budgetary and demographic conditions. The project will contribute to achieve the priorities, key objectives and measures as defined by Europe 2020 and the Annual Growth Survey 2013.

Specific project outputs:

Output 1 - Project Management Team (PMT) and Inter-sectoral Expert Committee established (ISEC)

Activity 1.1: Establishing the Project Management Team

Within the Ministry of Social Policy and Youth and UNDP, the Project Management Team (PMT) will be established as a body responsible for technical support to Project implementation.

The Ministry and UNDP will nominate the members of the PMT, which will include both the representatives of the Ministry and the UNDP. The PMT will meet at least once a month and will perform following tasks: 1) technical support to the implementation of the project; 2) assessment of the project progress and internal monitoring procedures; 3) participation in the preparation of both narrative and financial project reports; 3) discussion on any critical points or bottlenecks for further project implementation; 4) making decisions relating to timing, cost or content of project.

Activity 1.2: Establishing an Inter-sectoral Expert Committee

Within the framework of the project, Inter-sectoral Expert Committee will be established. It will include at least 16 representatives of the following institutions: Ministry of Social Policy and Youth, Ministry of Finance, Ministry of Public Administration, Ministry of Regional Development and EU Funds, Ministry of Science, Education and Sports, World Bank, European Commission, UNDP Croatia, representatives of local and regional self-government units and representatives of civil society organizations and an international expert with part-time engagement. Gender equality in choosing members of Inter-sectoral Expert Committee will be considered. The expertise and capacities of different institutions involved and their commitment will contribute to the success of the overall project. Members of Inter-sectoral Expert Committee will provide information about different sector and regional/local level social benefits assistance programmes necessary for analysis. Their inputs will be used as a starting point for data collection on social assistance and social benefits programmes from counties, cities and municipalities. Importantly, during the initial stage of the project implementation the Inter-sectoral Expert Committee will propose methods that will contribute to combination of social assistance benefits in different sectors on national, regional and local level.

Activity 1.3: Organizing of Inter-sectoral Expert Committee working meetings

Two working meetings of Inter- sectoral Expert Committee will be held in the first quarter after project initiation. The purpose of these meeting will be for members to provide support for data collection, to facilitate communication with stakeholders on local and regional level. During the first meeting, Inter-sectoral expert committee will be introduced to the methodology of data collection.

Second working meeting will be conducted after Data Report Summary is published. Also, additional working meetings of Inter-sectoral Expert Committee can be organized during the data collection and analyzing social benefits and programmes.

Output 2 - Data Summary Report prepared and published

- Matrix for data collection prepared
- Matrix for data collection shared with local authorities (20 counties and city of Zagreb, 127 cities and 428 municipalities)
- Local authorities (20 counties and city of Zagreb, 127 cities and 428 municipalities) required information filled in
- Data base at the Ministry of Social policy and Youth hosted
- Data base regularly updated (on annual basis after projects lifetime)
- Data collected
- Data analysed: Comparative analysis of management of welfare systems with an emphasis on allocations for financial assistance prepared
- Data summary report and comparative analysis as background documents guiding consultative process in preparation of Strategy for cost-effective social protection system finalized (at least 160 pages of the report printed)

Activity 2.1: Preparation of the methodology for data collection on social programmes (content and financing) on local level.

A matrix for data collection will be prepared and shared with local authorities (20 counties and city of Zagreb, 127 cities and 428 municipalities) with a request to fill it with required information. Data collection matrix will include national level social assistance payments from different sectors (social welfare, education, veteran's benefits; civil victims of war, employment, child allowance) and social benefits and assistance programmes on local level (those stemming from the provision of Law on Social Welfare and all social benefits assistance programmes created at the local level and financed from local government level budgets). Data collection matrix design will be based on data base system held by the Ministry of Social Policy and Youth. However, it can be expected that the current data base will have to be expanded in order to reflect all information about regional and local level programmes. In order to capture specificities of local level social assistance programmes, an assessment of local level budgetary allocations for social protection will be carried out in this stage. The draft of a data collection matrix will be discussed with the Inter-sectoral Expert Committee seeking their inputs for revisions.

Activity 2.2: Preparation of IT data base – where all the information will be imported analysed and reviewed in light of central budget allocations in social protection and other relevant systems (war veterans; education).

Based on data collection matrix an IT data base will be prepared. The purpose of data base is to enable regular monitoring of different social assistance expenditure on all levels. It is a tool that should enable monitoring of progress in combined delivery of social assistance benefits on national and local levels. Data base tool will be tested in cooperation with dedicated staff in the MSPY and staff in selected local governments. Its functionality will depend on timely and accurate reporting about social assistance expenditure from local level public administration. Therefore, protocols on cooperation and use of data base will be drafted, submitted to Inter-sectoral expert Committee for verification, and at the end of the project for approval of responsible Ministry to be put into use as a standard operating procedure. In addition, data base will allow to monitor trends in poverty (number of social assistance users according to age, gender, ethnicity where possible, regional distribution of poverty). Data base will be hosted at the Ministry of Social Policy and Youth and regularly updated on an annual basis after projects lifetime.

Activity 2.3: Preparation of Data report and summary report based on analysis of social protection system and data collected.

Data collected will be presented in Data report and summary report. The report will contain analysis of all social assistance benefits provided at national level and at county city and municipality levels. It will analyse trends in poverty and social exclusion taking into account regional specificities and disparities, gaps in combined delivery of social assistance benefits, while using equity perspective and addressing the position of different social groups who are known to be poor or at risk of poverty (i.e. elderly, young, children, women, families with 4 or more, members of national minorities). A particular attention will be devoted to analysis of regional and local level budgets, assessing them from a poverty reduction perspective. The recommendations will focus on methods and actions that result in combination of different level assistance payments creating synergies among them. The final report will provide a comprehensive analysis of social welfare system, poverty and social exclusion in Croatia, specifying better targeting for poverty reduction, strategies to reduce relative poverty and cost effective budgeting while making a clear reference to Europe 2020 Strategy.

Activity 2.4: Preparation of Comparative analysis of management of welfare systems with an emphasis on allocations for financial assistance.

Croatian welfare system will be analysed in comparison to two selected welfare systems with similar features in terms of origin of welfare state and most recent developments. Given historical perspective, recent developments and contacts established, two welfare systems selected for comparative review and analysis of their lessons learnt are Slovenia and Austria. All three countries share Bismarckian welfare state origins as well as similar set of basic legal provision in terms of contributory social insurance and non-contributory provision of social assistance to those in poverty. Furthermore, Austria as an old EU member state has developed a set of policies and welfare programmes in line with European good practice in social protection. Slovenia, as a new member state has faced a need to align its policies, and these experiences are still fresh in public administration and policy making. In addition, similar to Croatia, Slovenia has faced adverse impact of global financial crisis and was forced to re-think its social protection system by combining numerous social assistance schemes in different sectors in order to provide synergetic effects and effective targeting within tight budgetary constraints. The reform included analysis of different financial assistance schemes, their harmonisation, design and introduction of single IT data base shared between different sectors that contribute to social protection. The overall co-ordination was in hands of Slovene Ministry of labour, Family and Social Affairs. The similarities between these three social protection systems will be analysed with a particular focus on challenges, lessons learnt and value added of reforms. This will provide starting point when analysing recommendations for actions to be introduced into Croatian social protection system. Close links between report and lived experiences in these countries will be created during study trips that will be organised for members of Inter-sectoral Expert Committee. Importantly, report analysis and study trip findings will serve as a background documents in the process of Strategy for cost-effective social protection preparation.

Activity 2.5: Finalizing of Data summary report and comparative analysis as background documents guiding consultative process in preparation of Strategy for cost-effective social protection system.

Final report will be based on expert analysis stemming from activities 2.3 and 2.4; and from inputs of Inter-sectoral Expert Committee and consultations during regional round tables. Participatory approach in final stages of report writing will be used: key professionals from different sectors will be invited to comment on the report. In addition, a report review group will be formed to discuss main findings and recommendations. This approach will be used in order to ensure not only full participation, but importantly ownership over report findings and its recommendations with action points for each sector on national level, as well as main stakeholders on the regional and local level.

Output 3 - Capacities of the members of Inter-sectoral Expert Committee strengthened

- A curriculum (should be divided in two parts: 1. presentation of the results of the Data Summary Report; 2. curriculum for the workshops related to cost- effectiveness and budgeting on national, regional and local level) for workshops developed
- Materials for workshops prepared (printed materials on budgeting for 16 members of Inter-sectoral Expert committee)
- At least 3 workshops organized (at least 16 experts included in each workshop)
- Results of the Data Summary Report and examples of best practices presented
- Knowledge and skills about cost - effective budgeting provided
- 2 study visits (for 16 members of Inter-sectoral Expert Committee in two European countries, Slovenia and Austria, for 5 days each study visit) organized

Activity 3.1: Preparation of the curriculum and materials for the workshops

Based on the results of the activities conducted, a curriculum for workshops will be developed and corresponding materials will be prepared and printed by the UNDP in cooperation with MSPY. These should be tailored according to experts' needs and should provide practical knowledge and guidance to increase their capacities for the preparation of the Transferability Analysis of the best practices and the Strategy for cost-effective social protection system in Croatia. Curriculum should be divided in two parts: 1. presentation of the results of the Data Summary Report; 2. curriculum for the workshops related to cost- effectiveness and budgeting on national, regional and local level.

Activity 3.2: Organizing workshops for the Inter-sectoral Expert Committee members

Within the framework of the project, at least 3 workshops will be organized for the members of the Inter-sectoral Expert Committee. These workshops will be conducted by the UNDP in cooperation with experts from MSPY and other experts in the field of budgeting (ex. Experts from the Ministry of Finance). First part of the workshop will serve for the presentation of the results of the Data Summary Report and examples of best practices and the second part of the workshop will provide knowledge and skills about cost- effective budgeting. These will help Inter-Sectoral Committee members to prepare two important documents: Transferability Analysis of best practices and the Strategy for cost-effective social protection system in Croatia.

Activity 3.3: Organizing two study visits

Two study visits will be organized for the members of Inter-sectoral Expert Committee in order to promote and facilitate the exchange and dissemination of good practices. Study visits will be conducted in two EU Member State countries which have well-coordinated social protection system in terms of social benefit programmes and good practice examples, as well as better efficiency of social spending (it is planned to visit Slovenia and Austria). Study visits will be organized for at least 16 experts (in addition, 2 translators on each study visit) and will last for 5 days each.

Output 4 - Transferability Analysis of best practices prepared and published

- 3 working meeting (for 16 members of the Inter-sectoral Expert Committee) organized
- 4 round meetings for at least 40 participants per each organised in Osijek, Zagreb, Split and Pula (in total 160 experts and interested stakeholders participated)
- The Draft of Transferability Analysis of best practices reconsidered
- The Transferability Analysis of best practices prepared
- The Transferability Analysis of best practices (approximately 50 pages) translated on English
- The Transferability Analysis of best practices on English and Croatian (approximately 50 pages each) printed
- The Transferability Analysis of best practice on the web-site of the MSPY and the UNDP published

Activity 4.1: Inter-sectoral Expert Committee working meetings

Based on the results 2 and 3, working meetings will be organized at least 3 times during project implementation, and will be jointly organized and facilitated by the MSPY and the UNDP Croatia.

Activity 4.2: Preparation of the Transferability Analysis of best practices

After capacity building activities and the study visits conducted, Inter-sectoral Expert Committee will jointly work on the preparation of the Transferability Analysis of best practices.

Activity 4.3 Round tables in four regions

After preparation of the Data Summary Report and Transferability Analysis of best practices, 4 round tables in different regions of Croatia (Dalmatia, Slavonia, Istria and Zagreb) will be organized. The main purpose of round tables will be the discussion about presented issues with larger group of interested experts and stakeholders, with the aim of improving and finalizing Draft of Transferability Analysis of best practices. 40 persons will attend each Round table.

Activity 4.4. Review of the Draft of Transferability Analysis

The Draft will be reviewed according to conclusions of round meetings and final document will be prepared. After the document is finalized, it will be translated in English language and printed. The document will be published on the web-site of the MSPY and the UNDP, in order to be available to other interested stakeholders, including policy makers in other EU Member States.

Output 5 - The Strategy for cost-effective social protection system in Croatia prepared

- 3 working meetings (for 16 members of the Inter-sectoral Expert Committee) organized
- The Strategy for cost effective social protection system in Croatia prepared
- The Strategy for cost effective social protection system in Croatia translated on English (approximately 50 pages)
- The Strategy for cost effective social protection system in Croatia on English and Croatian printed (approximately 50 pages, at least 200 copies of the Strategy for cost effective social protection system)
- The Strategy for cost effective social protection system in Croatia on the web-site of the MSPY and the UNDP published

Activity 5.1: Organizing meetings of Inter –sectoral Expert Committee

At least 3 working meetings will be organized for the Inter-sectoral Expert Committee members in order to jointly work on the preparation of the Strategy for cost-effective social protection system in Croatia.

Activity 5.2: Preparation of the Strategy for cost effective social protection system in Croatia

Based on the Data Summary report, Transferability Analysis of best practices and examples of social protection systems seen during the study visits, Members of Inter-sectoral Expert Committee will prepare the Strategy. Experts will use new knowledge and skills regarding budgeting, cost-effectiveness and effective linking of social benefits programmes on national, regional and local level, in order to avoid overlapping and excessive spending. After the Strategy is finalized, it will be translated in English and printed. It will also be published on the web-site of the MSPY and the UNDP.

Output 6 - Communication campaigns organised

- Public presentation of the project organized (for at least 60 participants: representatives of relevant ministries, social welfare institutions, local and regional self-government units, non-

- profit and non-governmental organizations, academic professionals and media representatives)
- Final conference organized (for a least 80 participants included two international experts from the countries where the study visits were conducted, experts from neighbouring and other European countries and media representatives invited)
 - Leaflet, posters and banner presenting the Strategy for cost-effective social protection system in Croatia as the tool for preventing overlap of social benefit programmes produced and disseminated (at least 500 leaflets in Croatian (400) and English (100) language, 5 posters in Croatian language and 1 poster in English language and 1 banner in Croatian language)

Activity 6.1: Project Public presentation

Public presentation will be organized at the project's inception phase. The purpose of the presentation is to inform all the relevant stakeholders about the project and the timeline of the activities and to help to achieve an adequate level of commitment and ownership of all participants. Invitees to this event will be following: representatives of relevant ministries, social welfare institutions, local and regional self-government units, non-profit and non-governmental organizations, academic professionals. In order to ensure the visibility of the project, media representatives will also be invited. At least 60 participants will be invited.

Activity 6.2: Final conference

At the end of the project implementation, a final conference for at least 80 participants will be organized in order to present final project results. Also, two international experts (from the countries where the study visits were conducted) will be invited to present social protection systems in their countries. It is also planned to invite experts from neighbouring and other European countries. The conference will serve as the platform for sharing experiences and mutual learning. In order to guarantee the visibility of the project, media representatives will also be invited. Materials for the conference (such as leaflets, posters, and banner) will be prepared and distributed at the conference. While implementing communication campaign activities, a special attention will be given to persons with disabilities in order to ensure their equal access to all information as well as equal access to places where activities will be held.

IV. Management Arrangements

The project will be jointly implemented by the MSPY, as the overall project leader and the UNDP in Croatia, as subcontractor delivering under specified activities. The Ministry of Social Policy and Youth will be responsible for the overall management of the project, and will appoint internal staff who will be involved in project implementation. The Assistant Minister in the MSPY will be responsible for the management of the overall action, ensuring that the implementation of the project remains on schedule and that the project objectives are delivered on time, to a satisfactory quality and within the budget. The Assistant Minister will chair all public events with respect to his other obligations or will appoint another state official as a substitute representative of the Ministry and will ensure close cooperation of all stakeholders on policy level.

The MSPY will appoint a project manager and other experts from the relevant organisational Unit as the main contributors to the project implementation. The MSPY appointed experts will be responsible for the organization and management of the project. More specifically, to coordinate the work of the Project Management Team, organize public events, chair Inter-sectoral Expert Committee meetings, and participate in the implementation of all project activities. They will also be responsible for the preparation of the reports in relation to project implementation and will (in close cooperation with relevant financial departments) perform tasks related to accounting and financial management. The MSPY representatives will provide necessary sectoral contribution and backup during project implementation.

UNDP Project Office Croatia will appoint a project manager, an expert in the field of social policy, who will be responsible for the project implementation on the side of the subcontractor/project implementation partner. Project manager in UNDP will be a member of the Project Management Team, actively contributing to the decision making process in relation to the project implementation. Project manager will also contribute substantively to technical aspects of project components designated to UNDP. The project manager will be supported by a project assistant providing administrative and financial support on close cooperation with relevant financial department. A team of three experts: social policy expert/team leader, social economist and junior economist will be engaged to analyse social protection system and all assistance programmes delivered by various national and local level government units; develop a matrix for data collection; develop an IT data base; analyse budgets and its impacts on poverty and social inclusion; prepare Data report and data summary report. They will be supported by a team of assistants importing data collected into IT data base. An international expert will be engaged in order to provide comparative perspective by analysing social protection systems in two selected countries.

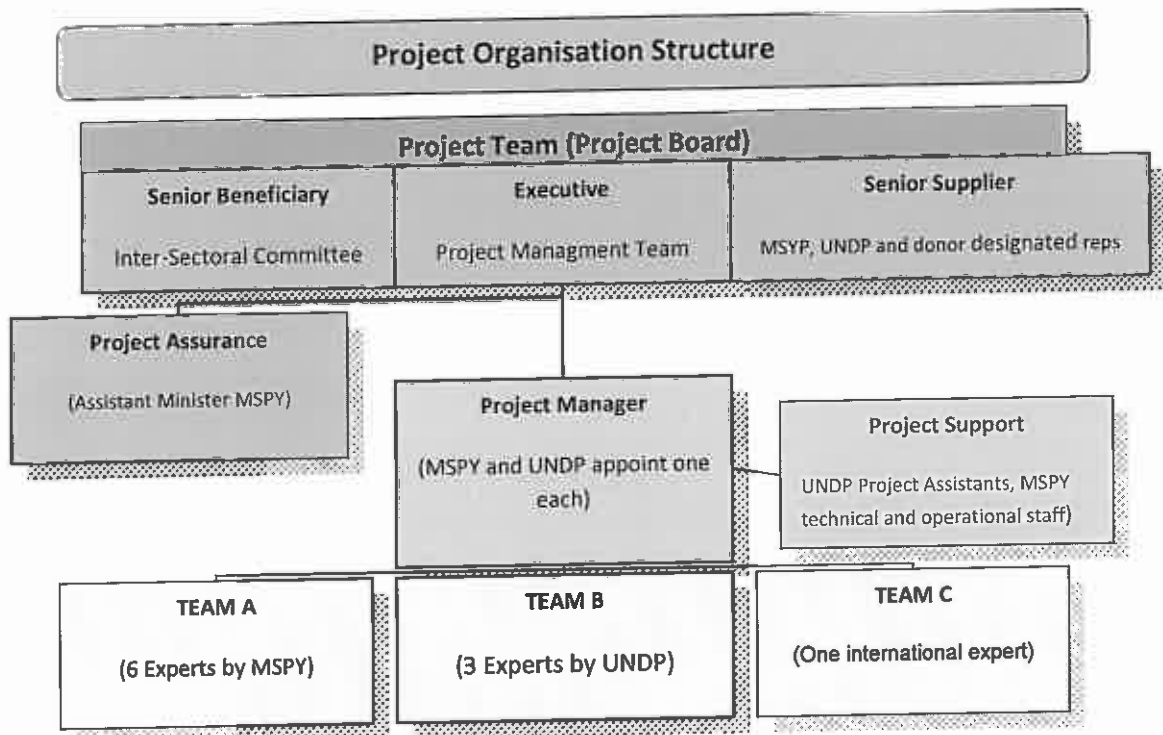
The project components designated to UNDP will be directly implemented by Croatia Project Office, in line with UNDP's Programme and Operations Policies and Procedures. UNDP will be responsible for designated activities management, backstopping and monitoring of the project.

Any communication or publication related to the action, including at conferences, seminars or in any information or promotional materials (such as brochures, leaflets, posters, presentations, etc.) shall indicate that the action has received funding from the Union and shall display the European Union emblem. When displayed in association with another logo, the European Union emblem must have appropriate prominence. The obligation to display the European Union emblem does not confer a right of exclusive use. The European Union emblem or any similar trademark or logo, shall not be appropriated either by registration or by any other means.

The project will be directed by a Project Team /Project Board, chaired by the MSPY and UNDP designated representatives, who will serve as the Project Executive. The Project Team /Project Board is the group responsible for making management decisions for a project by consensus, including recommendation for UNDP approval of project plans and revisions, when guidance is required by the Project Manager. In order to ensure UNDP's ultimate accountability, Project Team /Project Board) decisions should be made in accordance with corporate UNDP standards that shall ensure best value to money, fairness, integrity transparency and effective international competition.

The Project Team /Project Board will:

- Provide overall leadership, guidance and direction in successful delivery of outputs and their contribution to outcomes under the programme;
- Be responsible for technical support to Project implementation;
- Be responsible for making strategic decisions by consensus, including the approval of project substantive revisions (i.e., changes in the project document, making decisions relating to timing, cost or content of project);
- Approve annual work plans, annual reviews, and other reports as needed, preparation of the documents for Inter-sectoral Expert Committee discussions, participation in the preparation of both narrative and financial project reports
- Meet at least once a month to review project implementation, management risks, conduct assessment of the project progress and internal monitoring procedures and other relevant issues;
- Address any relevant project issues as raised by the Project manager and especially conduct discussion on any critical points or bottlenecks for further project implementation;
- Provide guidance on new project risks and agree on possible countermeasures and management actions to address specific risks.



V. Monitoring Framework and Evaluation

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Team /Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- a project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Team /Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Team/Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

Monitoring requirements are to be met decisions in accordance to Annex to the Grant Agreement VS/2014/0395 between European Union and the Republic of Croatia on implementation of the project within the European Union Programme for Employment and Social Solidarity - PROGRESS (2007-2013) regarding financial technical implementation report template and compulsory mentions of the EU support. Data regarding Technical and Financial reporting will be sent to MSPY on request in line with deadlines set out in the Grant Agreement. Reporting deadlines are annual and also are linked to issuance of Request for payments. Deadline for Annual Reporting is: 8th January for the previous year and other deadlines linked to issuance of Request for payments are linked to percentage of the funds spent and subsequently will be announced beforehand to UNDP with a reasonable timeframe for response. Furthermore, regarding Financial reporting, apart from the breakdown of all costs, UNDP will submit relevant supporting documents regarding costs that will occur in relation to conducted activities.

VI. Audit

The payment shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules, policies and procedures of UNDP, according to Financial and Administrative Framework Agreement between European Community, represented by the Commission of the European Communities and the United Nations signed on 29 April 2003.

VII. Legal Context

This section is standard to all UNDP project documents and is in line with UNDP Programme and Operations Policies and Procedures. These are aligned to the UN General Assembly, ECOSOC and UNDP Executive Board resolutions and decisions determining UNDP's mandate, operations and organization.

This document signed by the Ministry and UNDP constitutes a Memorandum of Understanding on Co-operation on the Project as referred to in the Standard Basic Assistance Agreement (SBAA) between the Government of Croatia and UNDP, signed on 12 March 1996. Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing agency and its personnel and property, and of UNDP's property in the implementing agency's custody, rests with the implementing agency.

This project will be executed by the UNDP in accordance with its financial regulations, rules, practices and procedures and in accordance to the decisions made in collaboration with MSPY representatives. The responsibility for the safety and security of UNDPs personell and of UNDP's property rests with UNDP. The UNDP will: (a) 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; (b) assume all risks and liabilities related to security, and the full implementation of the security plan. 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 this agreement.

The Implementing Partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document 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/Docs/sc/committees/1267/1267ListEng.htm>.

This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

Annex 1: Results and Resources Framework

| EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i> | PLANNED ACTIVITIES <i>List activity results and associated actions</i> | TIMEFRAME | | | | | | RESPONSIBLE PARTY | PLANNED BUDGET | | |
|---|---|-----------|----|----|----|----|----|-------------------|-----------------|---|---------------|
| | | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | | Funding Source | Budget Description | Amount in EUR |
| Output 1 Project Management Team (PMT) and Inter-sectoral Expert Committee established (ISEC) <i>Baseline:</i> 1. The Republic of Croatia recognized gaps in social protection system (addressed in the Strategy of the Governmental | 1.1 Establishing the Project Management Team | X | | | | | | MSPY/UNDP | UNDP core funds | -Share of salary costs UNDP staff assigned to the project | N/A |
| | 1.1a Monthly meetings of Project Management Team | X | X | X | X | X | | MSPY/UNDP | UNDP core funds | -Share of salary costs UNDP staff assigned to the project | N/A |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| <p>programme for the period 2012-2014)</p> <p>2. Further improvements in social protection field must be made to avoid overlapping of social assistance benefit programmes on national and local level</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> • The PMT established (at least 6 members from MSPY and 2 members from UNDP) • The PMT working meetings organised (at least 18 meetings for 8 members of The PMT) • ISEC established (at least 16 representatives from different public bodies - 4 ministries, | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | |
|--|---|----------|----------|----------|----------|----------|----------|------------------|--|--|--|
| <p>international organization, local and regional self- government units and civil society organizations included)</p> <ul style="list-style-type: none"> • ISEC working meetings organized (at least 2 meetings for 16 members of ISEC) <p><i>Targets:</i></p> <p>Experts from the filed of social protection, representatives of different stakeholders, such as: ministries, public institutions, local and regional self-government units, civil society organisations, social partners, international organisations, scientific community etc. (150 experts)</p> <p><i>Related CP outcome:</i></p> | <p>1.3 Organizing of Inter-sectoral Expert Committee working meetings</p> | <p>X</p> | <p>X</p> | <p>X</p> | <p>X</p> | <p>X</p> | <p>X</p> | <p>MSPY/UNDP</p> | | | |
|--|---|----------|----------|----------|----------|----------|----------|------------------|--|--|--|

| | | | | | | | | | | | | |
|--|--|---|---|---|--|--|--|--|------|----|---|-----------|
| Output 2 Data Summary Report prepared and published <i>Baseline:</i> proposing an action that will collect data on all social assistance programmes on national and local level; analyse budgetary allocations and review them from a comparative perspective. <i>Indicators:</i> <ul style="list-style-type: none"> • Matrix for data collection prepared • Matrix for data collection shared with local authorities (20 counties and city of Zagreb, 127 cities and 428 municipalities) • Local authorities filled required information in | 2.1 Preparation of methodology for data collection on social programmes on local level | X | | | | | | | UNDP | EC | -Local consultants -UNDP staff assigned to the action | 4,500.00 |
| | 2.2 Preparation of IT data base | | X | | | | | | UNDP | EC | -Local consultants -UNDP staff assigned to the action | 5500.00 |
| | 2.3 Data collection and analysis | | X | X | | | | | UNDP | EC | -Local consultants -International consultant -UNDP staff assigned to the action | 19,050.00 |

| | | | | | | | | |
|--|---|----------|--|--|--|--|-------------|--|
| <ul style="list-style-type: none"> • Data collected • Data base at the MSPY hosted • Data base regularly updated • Comparative analysis of management of welfare systems with an emphasis on allocations for financial assistance prepared • Data summary report and comparative analysis finalized (at least 160 pages of the report printed) <p>Targets:</p> <p>Representatives of local level public administration</p> <p>Related CP outcome:</p> | <p>2.4 Preparation of Comparative analysis of management of welfare systems</p> | <p>X</p> | | | | | | <p>14,500.00</p> |
| | <p>2.5 Finalizing of Data Summary Report</p> | <p>X</p> | | | | | <p>EC</p> | <p>9,200.00</p> |
| | | | | | | | <p>UNDP</p> | <p>-Local consultants -International consultant - UNDP staff assigned to the action</p> |
| | | | | | | | <p>EC</p> | <p>-Local consultants -International consultant -- UNDP staff assigned to the action</p> |

| | | | | | | | | |
|--|--|----------|--|--|-------------|-----------|---|-----------------|
| <p>Output 3</p> <p>Capacities of the members of Inter-sectoral Expert Committee strengthened</p> <p><i>Baseline:</i></p> <p>capacity building of social protection experts, providing them with knowledge and skills relevant for the preparation of the documents and ensuring mutual learning and knowledge sharing, building up better policy coordination and partnership network</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> • A curriculum (two sections: 1. presentation of the results of the Data Summary Report; 2. curriculum for the workshops related to cost –effectiveness and budgeting) for workshops developed • Materials for workshops prepared (printed materials) | <p>3.1 Preparation of curriculum and materials for the workshops</p> | <p>X</p> | | | <p>UNDP</p> | <p>EC</p> | <p>-Contractual services- individuals</p> | <p>1,000.00</p> |
|--|--|----------|--|--|-------------|-----------|---|-----------------|

| | | | | | | | | | | |
|---|--|---|---|--|--|--|-----------|------------|---|-----|
| <ul style="list-style-type: none"> • At least 3 workshops organized (at least 16 experts included in each workshop) • Results of the Data Summary Report and examples of best practices presented • Knowledge and skills about cost-effective budgeting provided • 2 study visits (for 16 members of ISEC in two EU countries, Slovenia and Austria, for 5 days each study visit) organized <p><i>Targets:</i></p> <p>Smaller number of experts (at least 16 of them)</p> <p><i>Related CP outcome:</i></p> | <p>3.2 Organizing workshops for Inter-sectoral Expert Committee</p> | X | X | | | | MSPY | UNDP funds | -Share of salary costs UNDP staff assigned to the the project | N/A |
| <p>Output 4</p> <p>Transferability Analysis of best practices prepared and published</p> | <p>4.1 Organizing Inter-sectoral Expert Committee working meetings</p> | X | X | | | | MSPY/UNDP | UNDP funds | -Share of salary costs UNDP staff assigned to the the project | N/A |

| | | | | | | | | |
|---|---|---|--|--|-----------|----|--|----------|
| <ul style="list-style-type: none"> • 3 working meeting (for 16 members of the ISEC) organized • 4 round meetings for at least 40 participants per each organised in Osijek, Zagreb, Split and Pula (in total 160 experts and interested stakeholders participated) | <p>4.3 Organizing Round tables in four regions in Croatia</p> | X | | | MSPY/UNDP | EC | -Local consultants -Travel | 2,000.00 |
| <ul style="list-style-type: none"> • The Draft of Transferability Analysis of best practices reviewed • The Transferability Analysis of best practices prepared • The Transferability Analysis of best practices (app. 50 pages) translated on English • The Transferability Analysis of best practices on English and Croatian (app. 50 pages each) printed • The Transferability Analysis of best practice on the web-site of the MSPY and the UNDP published <p><i>Targets:</i></p> <p><i>Related CP outcome:</i></p> | <p>4.4 Review of the Draft Transferability Analysis</p> | X | | | MSPY/UNDP | EC | -UNDP related costs refer to external review group (report referees) | 2,000.00 |

| | | | | | | | | |
|--|--|--|---|--|------|--|--|--|
| <p>Output 5 The Strategy for cost-effective social protection system in Croatia prepared</p> | <p>5.1 Organizing meetings of Inter - sectoral Expert Committee</p> | | X | | MSPY | | | |
| <p><i>Baseline:</i> target inefficiencies of the social protection system, by identifying potentials for improved cost-effectiveness.</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> • 3 working meeting (for 16 members of the ISEC) organized • The Strategy for cost effective social protection system in Croatia prepared • The Strategy for cost effective social protection system in Croatia translated on English (app. 50 pages) • The Strategy for cost effective social protection system in Croatia | <p>5.2 Preparation of Draft of Strategy for cost effective social protection system in Croatia</p> | | X | | MSPY | | | |

| | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|
| <p>on English and Croatian printed (app. 50 pages, at least 200 copies of the Strategy for cost effective social protection system)</p> <ul style="list-style-type: none"> • The Strategy for cost effective social protection system in Croatia on the web-site of the MSPY and the UNDP published <p><i>Targets:</i></p> <p><i>Related CP outcome:</i></p> | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|

| | | | | | | | | | |
|--|--|----------|--|--|--|------------------|-----------|---|------------|
| <p>Output 6</p> <p>Communication campaigns organised</p> <p><i>Baseline:</i></p> <p>Unawareness of problems, promote visibility</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> Public presentation of the project organized (for at least 60 participants: representatives of relevant ministries, social welfare institutions, local/regional self-government units, non-profit and NGO-s, academic professionals and media representatives) Final conference organized (for a least 80 participants included two international experts from the countries where the study visits were conducted, experts from neighboring and other EU countries and media representatives invited) Leaflets, posters and banner presenting the Strategy for cost-effective social protection system produced and disseminated (at | <p>6.1 Organizing of public Project presentation</p> | <p>X</p> | | | | <p>MSPY/UNDP</p> | <p>EC</p> | <p>UNDP related costs</p> <p>-Share of salary costs UNDP staff assigned to the the project- UNDP core funds</p> | <p>N/A</p> |
|--|--|----------|--|--|--|------------------|-----------|---|------------|

| | | | | | | | | | |
|--|--|--|--|--|----------|------------------|-----------|--|------------|
| <p>produced and disseminated (at least 500 leaflets in Croatian (400) and English (100) language, 5 posters in Croatian and 1 poster in English language and 1 banner in Croatian language) <i>Targets:</i> Media representatives</p> | <p>6.2 Organizing Final Conference</p> | | | | <p>X</p> | <p>MSPY/UNDP</p> | <p>EC</p> | <p>-UNDP related costs -Share of salary costs UNDP staff assigned to the the project- UNDP core funds</p> | <p>N/A</p> |
| | | | | | | | | | |
| <p>UNDP component</p> | | | | | | | | | |
| <p>TOTAL</p> | | | | | | | | | |
| | | | | | | | | <p>57,750.00 EUR</p> | |