РЕПУБЛИКА СРБИЈА
Канцеларија за информационе технологије
и електронску управу

Број: 401-00-18/2017-01/152

Датум: 12.12.   20 22.
БЕОГРАД

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT DOCUMENT (REVISION)
Republic of Serbia

Project Title: Serbia at Your Fingertips – Digital Transformation for Development
Project Number: 104516
Implementing Partner: Office for Information Technologies and Electronic Government
Start Date: 1 Nov 2017   **End Date**: 31 Dec 2023   **LPAC Meeting date**: 20 Oct 2017

Brief Description

Three year into project implementation, this project revision reflects an expanded result framework, as well as increased Government funding for existing activities. The multi-year work plan is updated through regular development of Annual World Plans.

Over the past 10 years, Serbia has made progress in modernizing its strategic and regulatory framework to support development of the information society. However, these advances in the legal framework and significant investment in ICT systems have not been sufficient to ensure a competitive business environment or efficient state administration.

With digital transformation of the national economy and public administration high on government's agenda, Serbia now has a good chance for future-proofing its administration's capabilities for rapid deployment of cost-effective, secure and citizen-focused e-services, and coordinated implementation of ICT policies. First steps have been made with the establishment of the central Office for IT and e-Government (ITE), strengthening of the ministerial Council for IT and Innovative Entrepreneurship and establishment of the ministerial Council for Creative Industries, but expectations from these institutions run high and they need an initial push to meet the expectations and demonstrate the ability of the government to deliver.

This project aims to support the efforts to build internal capacities of the ITE for effective coordination and implementation of the digital government strategy, providing support to other institutions in introducing e-services, building common ICT infrastructures and shared services, maintaining close relations with the key stakeholders and the public and support the establishment of the Center for the Fourth Industrial Revolution in Serbia, as well as the development of 4IR technology governance frameworks. As the ITE has also received additional mandate for operationally delivering parts of the IT Council's and Creative Industries Council's agendas, this project will also support these efforts aimed at enhancing digital transformation of Serbia's economy and ensuring its most dynamic and innovative elements continue to grow and benefit all segments of society.

Ultimately, this will enable the Government of Serbia to provide more transparency and accountable digital services that meet the expectations of citizens and the needs of the economy.
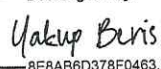
The substantive project revision includes:

1) *Increase of the project budget to USD 16,657,131.58, due to the additional funding in December 2022 from Government. Total amount received from the UK GGF with the final tranche in November 2020 is USD 2,427,661.00, from the Government USD 14,049,659.04 and USD 179,811.54 from UNDP. The project budget increased by USD 1,525,106.80.*

2) *Including the change of the Multi Year Annual work plan for 2022-2023.*

3) *Introduction of a Responsible Party Agreement with the National Alliance for Local Development (NALED) for activities related to development of Government's policies needed for the advancement of IT infrastructure and electronic services, amounting to USD 150,000.00.*

4) *Change of the project Result framework*

Contributing UNDAF Outcome:	Total resources required:	16,657,131.58
Governance institutions at all levels have enhanced accountability and representation to provide better quality services to people and the economy.		
	UK GGF:	2,427,661.00
	Government:	14,049,659.04

Indicative Output(s): Governance institutions operate in a more open and effective manner.	Total resources allocated:	UNDP:	179,811.54
	Unfunded:		-

Agreed by (signatures):

Government / Office for IT and eGovernment	UNDP
Milan Latinovic	Yakup Beris *DocuSigned by:* *Yakup Beris* 8E8AB6D378F0463...
	December 12, 2022

I. DEVELOPMENT CHALLENGE

Problem/Challenge to be Addressed and Progress to Date:

The fast pace of technological change poses a new set of challenges before nations worldwide. It is no longer sufficient to deploy computers in schools or establish data exchange between institutions. Government policies must take into account wider societal trends influenced by the global technological shifts (such as the changes in communication and consumption habits, emergence of new business models and payment services, expansion of ubiquitous mobile devices and services, transition of infrastructural services into the Cloud, advances in Big Data analytics and Artificial Intelligence etc.) and ensure adequate capacities for effectively leveraging new technologies for digital transformation. The importance of meeting these challenges of digital transformation was recognized in a number of international and regional fora, such as the OECD, EU and RCC.

Over the past 10 years, Serbia has made **progress in modernizing its strategic and regulatory framework to support development of the information society**. The strategic frameworks for Development of the Information Society, Public Administration Reform and Development of e-Government have been adopted. The laws on e-signature, e-document and e-commerce, adopted between 2004 and 2008, provided for full legal recognition of electronic documents, signatures and contracts. This legislation also introduced the national electronic ID framework, in line with the EU framework. In 2010, the national e-Government Portal was established. The portal enables state institutions to easily create new e-services and provides for electronic data exchange via the Government Service Bus, while citizens and businesses have the possibility of electronic ordering, payment and delivery of government services. Unfortunately, the portal was not put to full use, as illustrated by the low number of services implementing modules for e-payment and e-delivery. Despite these setbacks, the portal and its service bus provided for introduction of the first integrated e-government services, such as the possibility of citizens to extend car registration (2011) or register child birth (2016). In the meantime, progress was made in many individual sectors. For example, the business registry was digitized (2005), as well as the registry of compulsory social insurance (2013). Between 2010 and 2016 all schools in Serbia were equipped with computer labs and connected to the Internet. Electronic reporting of all tax forms via the e-Taxes Portal has been rolling out since 2014. Work on establishing the Integrated Health Information System and the system of e-Justice are also underway. In 2016, the new Law on Administrative Procedure was adopted, mandating exchange of data between institutions in administrative processes. To implement this law, the government initiated the eZUP project, which involved establishing a provisional regime for key registry interoperability and use of the existing government service bus for exchange of data between institutions. Finally, in 2017 the National Education Council decided to include computer science as mandatory subject in all elementary schools.

However, these advances in the legal framework and significant investment in ICT systems have not been sufficient to ensure a competitive business environment or efficient state administration. For example, The Global Competitiveness Report 2017-2018 by the World Economic Forum ranks Serbian public sector's performance at 98th place and burden of government regulation at 122th place among 137 countries. The same report lists inefficient government bureaucracy as the third most problematic factor for doing business. According to the UN e-Government Survey for 2016, Serbia is in good standing overall in a global perspective, ranking 69th. However, in comparison to other European countries, Serbia lags, ranking 38th among 43 countries, 11th among 14 Southern European countries and 10th among 14 neighbouring countries. In preparing the Strategy for Development of the New Generation Networks in 2017, Serbian Ministry of Trade, Tourism and Telecommunications calculated DESI (Digital Economy and Society Index) and its components for Serbia.[1] The analysis showed that Serbia would be ranked 28th among 29 European countries overall. In the Connectivity category Serbia would take the last place, while in the Human Capital and Public Digital Services categories Serbia would take 26th place out of 29 European countries.

The evidence presented shows that Serbia is progressing slowly and **not taking full advantage of digital transformation and emerging technologies potentials**. Key factors preventing faster public administration reform and rollout of new e-services include: lack of strong central coordination of e-Government development, lack of key data registries (e.g. Citizens Registry, Address Registry), lack of key common services (e.g. e-payment of fees and taxes) and absence of legal framework for compulsory data exchange between institutions, including robust data protection and information security (e.g. Law on e-Government and stronger mechanisms for ensuring interoperability). This has led to a situation where each institution managing a

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[1] The Digital Economy and Society Index (DESI) is a composite index that summarizes relevant indicators on Europe's digital performance and tracks the evolution of EU member states in digital competitiveness. As a candidate-country, Serbia is still not officially included in monitoring of DESI indicators.

significant amount of data would establish its own information system (both hardware and software), determine how it works and dictate conditions for data exchange. This **institution-focused, instead of user-focused approach**, resulted in poor user experience for citizens and businesses, who were forced to seek e-services on several different state portals, each of which functions in a specific way, often providing partial service due to lack of data exchange with other institutions or inability to use means of electronic payment. Additional consequence of such approach was that **traditional problems with functioning of government institutions were often just transferred into the digital realm and did not translate into increases in efficiency or savings for citizens and businesses.** Furthermore, chronic lack of IT competencies in individual institutions led to their e-government software solutions being not only technically too complicated for the average citizen, but also delivered in an **insecure** way and without any support for people with disabilities, thus leading to **exclusion of entire groups** from using the services mandated by the law, **erosion of confidence in government** and increased aversion to electronic services, which combined introduced new levels of complexity, instead of making everyday life and business easier.

When it comes to **digital transformation of the economy**, key problems have been tied to lack of coordinated government ICT policy, unfinished legal framework and unadjusted educational system. The outcome was wasteful public spending, spread over many unconnected, often duplicated and poorly monitored initiatives in the fields of education, research and employment. Also, the legal framework, which is still adapted to the traditional way of doing business, burdens companies and entrepreneurs with bureaucratic procedures (e.g. often insisting on papers and stamps), while at the same time does not provide adequate conditions for cross-border e-payments, implementation of new business models (e.g. platform economy, fintech etc.) or access to finance (e.g. VC funds, crowdfunding etc.). Finally, unadjusted educational system results in insufficient number of IT professionals capable of meeting the needs of digital economy and administration, as well as lack of entrepreneurial skills and outlooks. Despite this, Serbian IT sector has been growing at a rate of 10% per year, while software exports have been growing at a rate of 20% annually – making tech one of the healthiest and most promising branches of the Serbian economy. **In consequence, investment into policy solutions that would support rather than hider its further growth has the potential to significantly impact development outcomes for Serbia.**

A backdrop to these challenges is that Serbia continues to face relatively high levels of corruption, with rule of law still among the top reform priorities. UNDP's Corruption Benchmarking Survey from December 2016 showed an increase in both perceived corruption (which was, for the first time since 2012, ranked among the top three problems recognized by citizens) and the incidence of actual corruption (with direct and indirect experience of corruption at 10% and 26%, respectively). The national Anti-Corruption Strategy and Action Plan (2013-18) recognize digitalization as an important element in curbing corruption, albeit primarily through scattered commitments in specific domains such as procurement, construction permits, land registry, etc.

The Government of Serbia, elected in June 2017, has **heavily prioritized digital transformation of the national economy and state administration**. The Prime Minister's Keynote Address before the Parliament stressed digitalization and education as the most important catalysts of innovations, competitiveness and growth for Serbia in the coming years. It also stressed the need for rapid digitalisation of public administration and provision of integrated, secure and citizen-focused electronic services. Finally, e-governance and open data have been highlighted as important contributors in fighting organised crime and corruption.

This political support has materialized in August 2017, when the government formed Office for Information Technologies and Electronic Government (ITE) and appointed the Prime Minister as head of the ministerial Council for Innovative Entrepreneurship and Information Technologies (IT Council). Soon thereafter, two additional top-level councils were established – Coordination Council for e-Government and ministerial Council for Creative Industries, both presided by the Prime Minister.

The ITE, which was previously a directorate under the Ministry of Public Administration and Local-Self Government, was raised to the Cabinet-level body, responsible directly to the Prime Minister. It received all necessary competencies for consolidating government's ICT resources, deploying shared infrastructures and IT services (e.g. Government Network, Government Cloud, shared apps and services) and coordinating major e-government initiatives across the administration. ITE is also well positioned to provide policy advice and influence adoption of strategic and legal acts, even though it currently has no explicit policy-making mandate.

The IT Council was formed in late 2016 to coordinate and support policies of the various government institutions in the field of ICTs and innovation, including initiatives related to improvements in the legal framework, national education system, research and business support infrastructure, allocation of state aid etc. With the appointment of the Prime Minister as head of the IT Council, this body also gained in prominence.

At the end of 2017, the government formed Coordination Council for e-Government, gathering representatives of more than 35 institutions and presided by the Prime Minister and Director of ITE. The Council is set to improve planning and coordination in rolling out major e-government initiatives, but also facilitate public-private dialogue, as it also includes representatives of the private sector and academia.

Ministerial Council for Creative Industries was established in early 2018, as a multi-stakeholder body to discuss public policy issues related to development of the creative industries in Serbia. The council will cover wide range of activities spanning multiple sectors, including digital content production (e.g. movies, music, gaming, 3D printing etc.).

After many years of slow advances in digital transformation, Serbia has a good chance for future-proofing government's capabilities for rapid deployment of cost-effective, secure and citizen-focused e-services, and coordinated implementation of ICT policies. First steps have been made with establishment of the ITE and various ministerial councils, but expectations from these institutions run high and they need an initial push to meet the expectations and demonstrate the ability of the government to deliver. For this opportunity to translate intro actionable results for citizens and businesses, it is crucial to ensure that ITE and other key institutions rapidly establish their capacities and begin implementing priorities behind the overall vision.

Therefore, this project will support efforts to build internal capacities of ITE for effective coordination and implementation of the government's digital strategy, assisting other institutions in introducing e-services, building common ICT infrastructures and shared services, and maintaining close relations with the key stakeholders and the public. As ITE has also received an additional mandate for operationally delivering parts of ministerial councils' agendas, this project will also support efforts aimed at enhancing digital transformation of Serbia's economy and ensuring its most dynamic and innovative elements continue to grow and benefit all segments of society.

II.   STRATEGY/THEORY OF CHANGE

Serbia, as an EU candidate-country, has a key political goal of joining the European Union and its single (digital) market, being developed in accordance with the strategy for smart, sustainable and inclusive growth – Europe 2020. To achieve this vision, it is necessary to strengthen the capacities of Serbian economy and administration, and make advances in many areas, such as the rule of law, accountable and transparent governance, development of infrastructure, human capital and increased employment in globally competitive sectors, balanced regional development and social inclusion, protection and improvement of the environment etc.

As elaborated in the development challenge, Serbia must overcome prolonged delays in adapting to digitalization, leveraging modern technologies in public administration reforms, and offering adequate response to the needs of innovative industries.

Theory of Change (diagram on page 8):
If the ITE is provided early support in rapidly establishing capacities and begins implementing priorities behind the overall vision of Serbia's digital transformation, it will enable the government to rapidly deploy cost-effective, secure and citizen/business-focused e-services, while ensuring coordinated implementation of ICT policies.

Proposed Response (diagram on page 9):
This project will approach the development challenge holistically, by:
1) Building capacities of the ITE for effective coordination and implementation of the government's digital strategy;
2) Supporting establishment of ICT platforms for provision of user-focused e-services;
3) Improving e-government services based on user feedback and engagement with key stakeholders;
4) Supporting growth of the IT, innovative and creative industries in line with the ministerial councils' agendas;
5) Improving ICT infrastructure to support digital transformation of the public administration
6) Improved business environment for the implementation of 4IR technologies

Discussion of the Proposed Response:

1) This project will support capacity building of the ITE for effective coordination and implementation of the government's digital strategy, providing policy support regarding strategic and regulatory frameworks for digital transformation to the Prime Minister's Office and relevant ministries, providing support to other institutions in implementing e-government (Outcome 1). To this effect, the project will also support further recognition of the contribution of digitalization to broader social and developmental goals, including anti-corruption. Development of horizontal ties between different policy domains will be encouraged.

2) The project will support establishment of a robust digital government stack (Outcome 2), comprising physical infrastructure (including Government Network and data centres), virtual infrastructure/Government Cloud (including computing and storage resources provided as Infrastructure-as-a-Service, shared modules provided as Platform-as-a-Service and common apps provided as Software-as-a-Service), key registries and databases (including the Meta Registry, interoperability standards and Government Service Bus for data exchange), portals and integrated services (including the central e-Government Portal, sector portals and standalone apps). In addition, the project will support introduction of additional horizontal components related to ensuring information security, data protection and a system for collection, processing and analysis of data regarding the usage of government digital infrastructures and services. The first steps in realizing Outcome 2 will include providing expertise in evaluating the current state of government ICT systems, identifying gaps and needs of institutions, which will then serve as inputs for implementation of concrete solutions and further resource mobilization (including under Outcome 5).

3) Having in mind that one of the key project outcomes is the increased use of e-government services by citizens and businesses, one project component will be dedicated to improving engagement with the key stakeholders and end users (Outcome 3). This will be done either directly (through social media, feedback forms on government portals etc.) or through targeted campaigns on digital and traditional media platforms. Also, it is essential that the needs and concerns of different user groups are identified and addressed, so several user experience and satisfaction surveys will be commissioned within this project. These surveys will be performed at the beginning of the project to provide a baseline and will be periodically conducted as a means of monitoring progress and verifying the overall strategy. Finally, this project will contribute to shaping Serbia's approach to regional cooperation in the sphere of digitalization, in particular through the Western Balkans Six process.

4) In addressing development priorities of the IT, innovative and creative industries (Outcome 4), this project will provide ITE with policy advice, implementation support and access to international expertise. This will provide for effective delivery of the ministerial councils' agendas, generating growth in IT, innovative and creative industries, due to increased human capital (including motivating girls and woman for taking IT education), enhanced regulatory framework and rollout of innovative solutions (e.g. through public-private partnerships). Effective implementation of the ministerial councils' agendas will also demonstrate the ability of the administration to deliver, thus increasing confidence in institutions and expanding the scope of future public-private partnerships.

5) As many components of the digital government stack are currently not in place (e.g., Government Cloud, disaster recovery locations, Meta Registry, shared modules and common apps), rollout of long-term and capital-intensive ICT projects will be supported through Outcome 5.

6) Finally, ITE will be supported in the establishment of the Center for the Fourth Industrial Revolution in Serbia, as well as the development of 4IR technology governance frameworks (Outcome 6). C4IR RS will be established in ITE and function as part of the WEF's global C4IR Network. The center will bring together government institutions, the business community, civil society, academia and international experts, to address common challenges and co-create harmonized frameworks for deploying 4IR technologies, testing their effectiveness and scaling them. Initially, C4IR RS will focus on three thematic areas (C4IR Network's platforms), which align with the existing Government priorities: 1) Artificial intelligence and machine learning, 2) Autonomous and urban mobility, and 3) Precision medicine. It is expected that C4IR RS's work will contribute to the creation of a better business environment for the implementation of 4IR technologies in Serbia, open opportunities for new jobs, investments and economic development. This work is grounded in the cooperation agreements between the UN and WEF,[2] as well as Serbian Government and WEF.[3] It is also aligned with the Serbian strategic framework (e.g. Industrial Policy Strategy 2021-2030),[4] the Digital Agenda for Europe, the Declaration on Common Regional Market of the Western Balkans Six and the digital workstream within the Open Balkan initiative.

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[2] UN-WEF Strategic Partnership Framework

[3] Memorandum of understanding signed with World Economic Forum, Government of Serbia

[4] Industrial policy strategy of the Republic of Serbia for the period 2021-2030, Official Gazette of the Republic of Serbia, No. 35/2020.

Expected Results

This approach has been informed by an accumulated institutional experience of UNDP Serbia in working on issues affecting digitalization for many years, including through work on public administration reform for over a decade, initiating and supporting the introduction of national open data policy, developing many software solutions for government institutions, contributing to e-government development, collaborating with the tech and start-up communities, advising on policy coordination, as well as supporting the design and piloting of specific priority measures launched by the government's IT Council. In addition, an inception stage assessment of the Serbian digital governance landscape was commissioned by the UNDP in August 2017. This assessment, which also informed the overall strategy, was performed by the Estonian e-Governance Academy, in close cooperation with the national partner (ITE) and involved consultations with all key stakeholders in the Serbian Government (e.g. Prime Minister's Office, Ministry of Public Administration and Local Self-Government, Ministry of Information and Telecommunications, and other major operators of the government IT systems and registries), ICT infrastructure operators and members of the National Alliance for Local Economic Development's e-Government Alliance (gathering representatives of major Serbian banks, retailers and IT system integrators).

OVERALL IMPACT

By 2020, governance institutions at all levels have enhanced accountability and representation to provide better quality services to people and the economy

PLATFORMS AND INFRASTRUCTURE

- Physical Infrastructure
- Virtual Infrastructure
- Key Registries, Databases
- Interoperability Framework
- Portals, Integrated Services
- Engagement and Outreach
- IT / Innovative Industries Growth

OUTCOMES

- Effective coordination and implementation of the government's digital strategy by strengthened ITE
- Established ICT platforms for provision of user-focused, accessible and inclusive e-services
- Improved e-services based on user feedback and engagement with key stakeholders
- Supported growth of the IT, innovative and creative industries in line with agendas of the ministerial councils
- Improved ICT infrastructure to support digital transformation of the public administration

HORIZONTAL MEASURES

- Capacity Coordination
- Strategic / Legal Framework
- Analytics and Optimization
- Security Framework
- Addressing Industry Priorities

ACTIVITIES OUTPUTS

- Developed the ITE's capacities for effective coordination and implementation of the digital government strategy
- Supported other institutions in application of ICTs and e-Government
- Improved overall e-government policy/project/budget coordination and planning

- Supported development of the Government Network
- Supported development of the Government Cloud
- Established key registries and interoperability mechanisms
- Improved government portals, established analytics

- Supported development of the Government Data Centre/Disaster Recovery Facility and other major ICT infrastructures

- Established M&E framework
- Engaged key stakeholders
- Engaged wider community, established system for collecting feedback and innovation ideas

- Increased number of IT specialists (incl. woman and girls) in the labour market
- Supported development of the innovative and creative industries
- Enhanced business environment for innovation
- Supported tech-related PPPs
- Improved access to finance for tech startups

DEVELOPMENT CHALLENGE

Advances in the legal framework and significant investment in ICT systems have not been sufficient to ensure a competitive business environment or efficient state administration.

The Global Competitiveness Report 2017-2018 (World Economic Forum) ranks Serbian public sector's performance at 98th place and burden of government regulation at 122th place among 137 countries. Inefficient government bureaucracy listed as the third most problematic factor for doing business.

UN e-Government Survey 2016 ranked Serbia 69th globally. However, Serbia lags behind other EU countries, ranking 38th among 43 countries, 11th among 14 Southern European countries and 10th among 14 neighbouring countries.

DESI (Digital Economy and Society Index) for Serbia (as calculated by MTTT) shows that Serbia would take 26th place out of 29 European countries in the Human Capital and Public Digital Services categories.

ISSUES AND CHALLENGES

- Institution-focused approach
- Monolithic applications and infrastructures
- Wasteful public spending
- Poor user experience
- Lack of qualified IT staff
- Administrative burden/legal barriers for e-business

- Lack of coordinated policies
- Lack of key registers
- Lack of common e-services
- Inadequate legal framework
- Bureaucratic procedures
- Unadjusted education system

Figure 1 – Theory of Change diagram

8

Engagement and Outreach

- Awareness Campaigns
- Events, Outreach
- Stakeholder Engagement

Portals, Integrated Services

- Common Design Standards
- Central Government Portal
- Sector Portals, Single Apps

Interoperability Framework

- Meta Register
- Interoperability Standards
- Government Service Bus

Key Registries, Databases

- Citizens Register
- Address Register
- Other Registers, Databases

Virtual Infrastructure

- Virtual Infrastructure (IaaS)
- PaaS, Shared Modules (API)
- Common Apps (SaaS)

Physical Infrastructure

- Government Network
- Data Centers
- Government Cloud

Legend:

- Component supported by activities/outputs under Outcome 1
- Component supported by activities/outputs under Outcome 2
- Component supported by activities/outputs under Outcome 3
- Component supported by activities/outputs under Outcome 4
- Component requires significant capital investment – Outcome 5

Strategic, Legal Framework

- eGovernment Strategy
- eGovernment Policies
- eGovernment Legislation

Capacity and Coordination

- Internal Capacities
- Support for Institutions
- Coordination, Budgeting

Analytics and Optimization

- Data Collection
- Data Processing, Analytics
- Reporting, Optimization

Security Framework / CERT

- Proactive Services
- Reactive Services
- Security Quality Mgmt

IT / Innovative Industries Growth

- Human Capital
- Regulatory Framework
- Innovative Solutions

Addressing Industry Priorities

- Policy Advice
- Implementation Support
- International Expertise
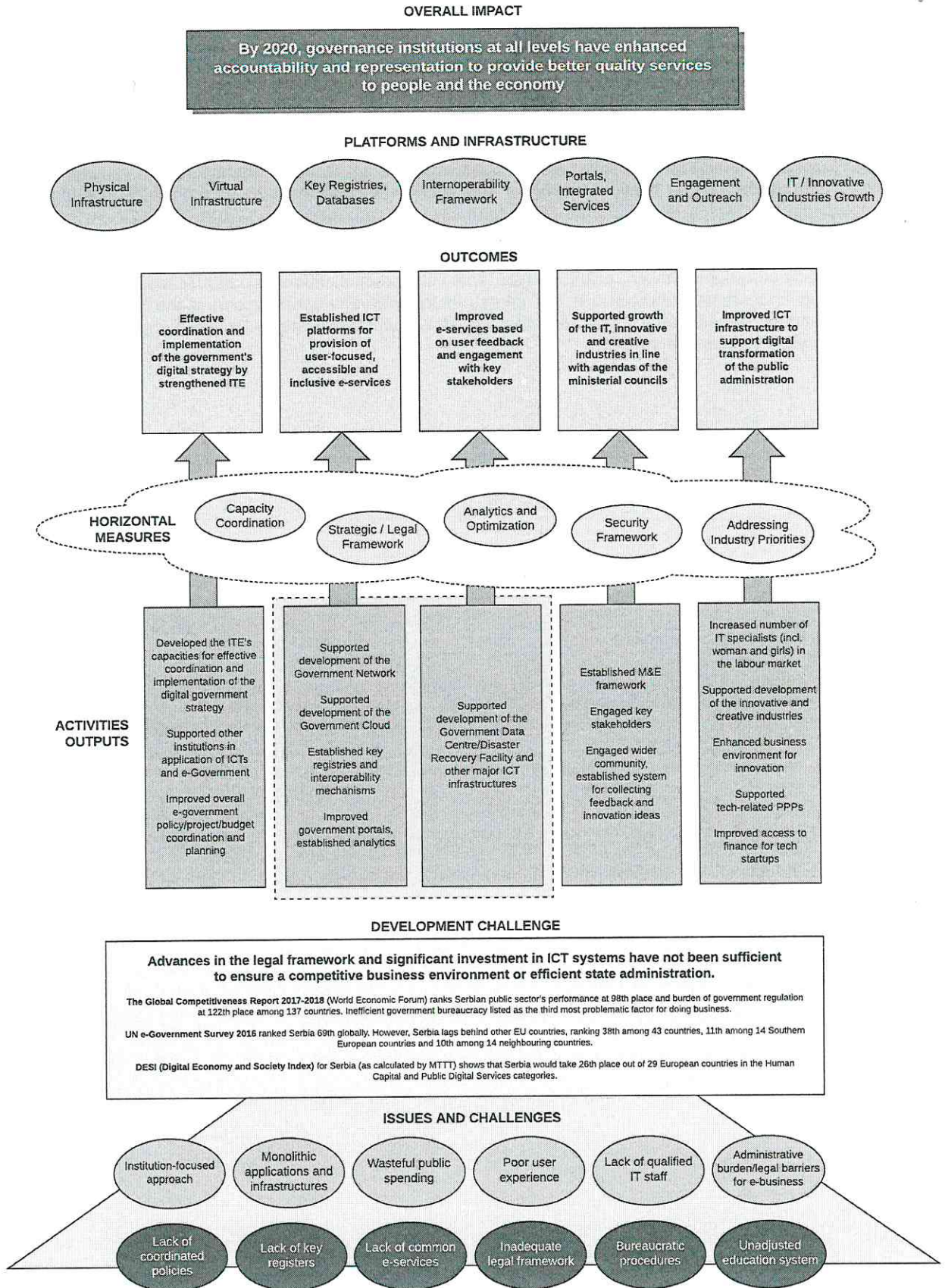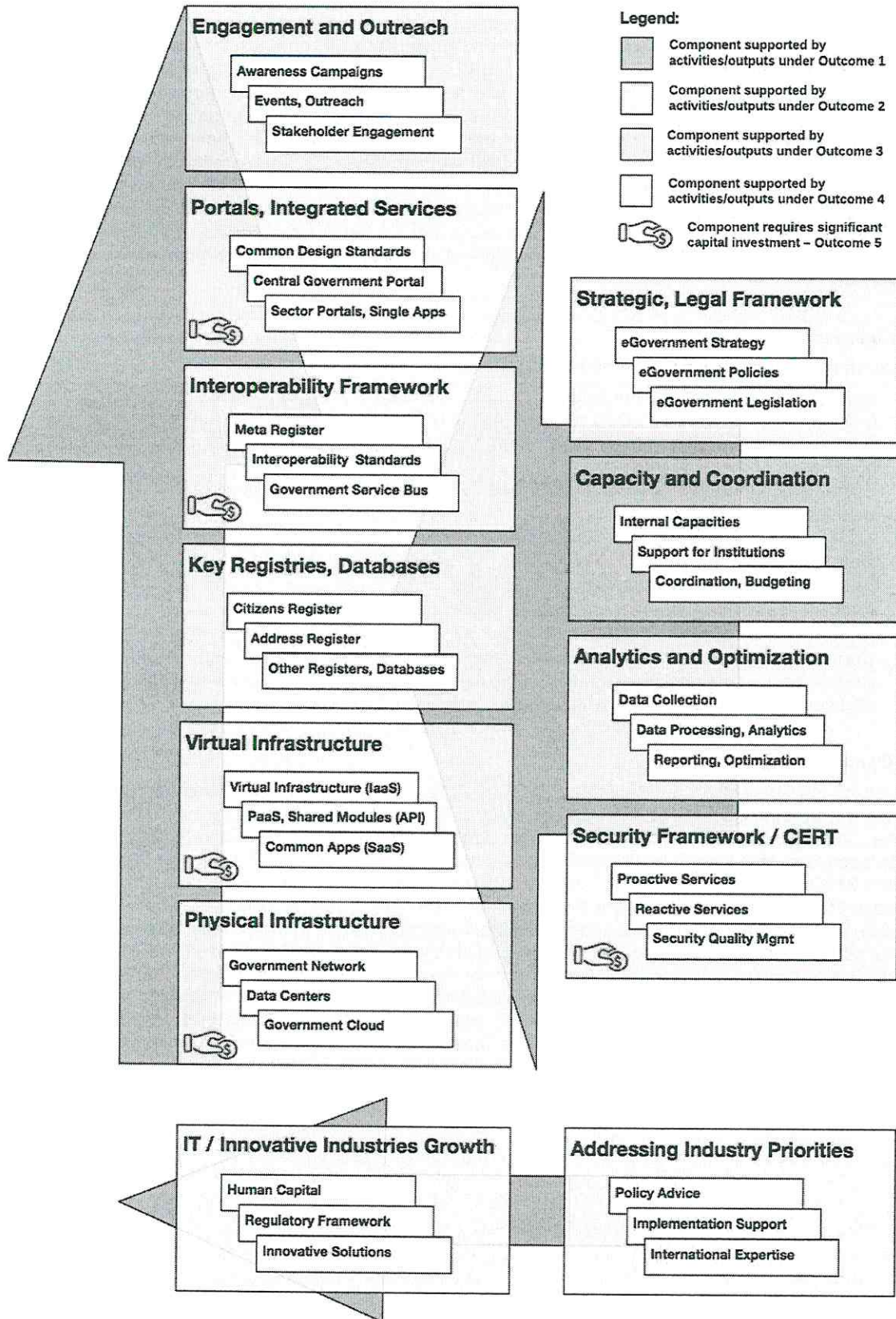
Figure 2 – Proposed Response diagram, illustrating the government digital stack and its components in more detail (infrastructures and platforms, horizontal measures and component linkages in the Theory of Change diagram)

Evidence that actions will result in outcomes:

Serbia has recognized the global trends and the need to invest into digital transformation and education capacities. This has explicitly been included in the Prime Minister's Keynote Address to the Parliament and continuously repeated over time. It is crucial that Serbia is supported in accelerating its efforts towards these global trends in order to catch up and integrate into the EU's Single Digital Market and attain a globally competitive position with the modern innovation-based economy. Centralization of policies and management of digital infrastructures, coupled with a user-centric approach in designing government services, is a common tread evident in different country approaches to digital transformation. This has proven to work well in Great Britain, Estonia, United States of America and Italy, to name a few examples. Precisely these experiences have informed this project design. The specific comparative approach, coupled with the political will and momentum displayed by the highest-level officials, represent the key enabling pillars of this project, which is designed as an accelerator for Serbia's digital transformation. Such an enabling environment was also the key factor missing in all previous attempts.

Assumptions:

Key assumptions the project will work against are as follows:

- A central coordination and implementation unit, with a clear mandate and sustained high political support (such as the ITE), given sufficient capacity support, will be able to deliver an ambitious agenda of transforming the way government uses technology to address the needs of citizens and businesses and ensure efficiency;
- Sustained cooperation between the ITE and other state institutions, especially the operators of large e-government systems;
- Ability of key government data holders and e-service providers (including ITE) to retain qualified staff;
- Secured funding for capital investments in ICTs;
- Effectiveness of additional investments in infrastructure;
- Continued EU accession agenda and sustained will to align to international standards;
- Continued interest of citizens and business for using e-government services;
- Continued government efforts on improving digital services and literacy will result in greater impact and sustainability of this project's outcomes.

Social/Gender concerns:

According to Serbian Statistical Office data,[5] in 2017, 68% of Serbian households had access to the Internet and over 3.3 million people used the Internet every day, out of which some 32% had used e-government services. The same survey showed there was no significant gap between male and female users (73% and 67% respectively). However, the survey showed a drop of Internet service use in the 55-74 age group (40% male and 31% female). Looking at the IT industry, the picture changes quite a bit. In the latest SEE ICT survey of Serbian IT experts,[6] only 12% were female. More than half of them declared themselves as junior and earned on average 400 EUR less than their male counterparts. Having in mind these figures, this project will seek to address the needs and ensure equal participation of men and women in all activities, such as production of training materials, organizing community events, promotional campaigns, user interface design, e-service redesign etc. Also, gender indicators will be tracked and analysed in all surveys performed within this project. Within the e-government components specifically (Outcomes 1-3 and 5), the focus will be on contributing to a higher quality of life and enabling wider availability of government services to men, women, elderly and people with disabilities. For example, parents will be able to perform administrative procedures for themselves and their children from home or work, quickly, cheaply and using any available device (including mobile phones). This now involves, in most cases, mandatory visits to counters of many institutions for collecting or submitting paper documentation. Even when the existing government portals are used, this requires complicated technical setups on a limited number of platforms, while fees and taxes in most cases must be paid at the bank counters and proof of payment produced in paper form. All this requires a considerable effort and consumes a lot of time, which parents can hardly afford. Also, the elderly and people with disabilities will benefit from improved availability and accessibility of the government portals, which are now almost entirely not adjusted to their needs. There is a potential to expand work on access to digital services and digital literacy within this component, subject to availability of funding.

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[5] "Usage of Information and Communication Technologies in the Republic of Serbia, 2017", Serbian Statistical Office.
[6] "Survey of the Serbian IT experts, 2017", SEEICT.

Social and environmental standards:

The project has been assessed as not having any negative impact on social and environmental standards.

Impact on achieving Sustainable Development Goals (SDGs):

Going digital, being a horizontal measure, is an accelerator for the attainment of all SDGs. This project directly falls under the SDG 16, with e-governance contributing to building stronger institutions – effective, accountable and transparent at all levels. The shift to more digitalized and automated governance systems will contribute to reducing opportunities and increase the risks of engaging in corruption. Also, introduction of new data exchange platforms and capabilities will facilitate public administration reform and help institutions in successful implementation of the national strategic frameworks for combating corruption and suppressing grey economy. This project will also contribute to SDGs 4.4 (by 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship), 8.3 (promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation) and indirectly to 9.B (support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities). Finally, this project directly contributes to the Inclusive and Effective Democratic Governance priority area of the UNDP global Strategic Plan.

III. RESULTS AND PARTNERSHIPS

Expected Results

The overall objective of the project is to prepare and support Serbian public administration and the economy for digital transformation, enabling the Government of Serbia to provide more transparency and accountable digital services that meet the expectations of citizens and the needs of the economy. Attainment of the objective will be supported through delivery of outcomes, outputs and activities listed below. The first three outcomes refer to the system of digital governance, Outcome 4 addresses digital society and economy, while Outcome 5 extends to infrastructure and other capital investments needed, while Outcome 6 aims to support ITE in in the establishment of the Center for the Fourth Industrial Revolution in Serbia, as well as the development of 4IR technology governance frameworks.

Outcome 1 – Built capacities for effective coordination and implementation of the digital government strategy:

- **Output 1.1 – Capacity building of ITE conducted on coordination and digital strategy implementation,** by producing training materials and conducting trainings/certification for the ITE staff, implementing internal quality management standards, organizing team building/planning retreats and best practice exchanges (study tours, regional/international conferences etc.);

- **Output 1.2 – Provided support for other institutions in application of ICTs and e-government,** by producing training materials and conducting trainings for other institutions in application of ICTs, e-Government and information security.

- **Output 1.3 – Improved overall e-government policy/project/budget coordination and planning,** by supporting the ITE, Prime Minister's Office, Coordination Council for e-Government and line ministries in policy/project/budget coordination and planning, organizing planning retreats etc.

Outcome 2 – Established ICT platforms for provision of user-focused e-services and improved government efficiency:

- **Output 2.1 – Supported development of the Government Network,** by conducting a study on the development of the Government Network and improving the ITE's procedures, practices and systems for network monitoring, equipment management, service provision, cybersecurity and customer support.

- **Output 2.2 – Supported development of the Government Cloud,** by preparing studies for the development of the Government Cloud and disaster recovery location(s), drafting related legislation, supporting establishment of a Government Cloud Service Centre, producing cloud readiness

assessments for the existing e-government systems and developing a pilot Platform-as-a-Service for e-government applications, deploying/leasing of the cloud infrastructure.

- **Output 2.3 – Supported establishment of the key registries, interoperability mechanisms, reliable Government Service Bus and new integrated e-services,** by providing technical assistance for establishment of key registries and interoperability mechanisms (Citizens Registry, Meta Registry and Address Registry), conducting a study on improving scalability and resiliency of the Government Service Bus, developing a roadmap for introduction of new high-impact integrated (one-stop-shop) e-services for citizens and businesses, and providing technical assistance in making more registries and databases available over the Government Service Bus.

- **Output 2.4 – Improved design, accessibility and functionality of the government portals and established a system for data collection, analytics and continuous improvement,** by implementing functional redesign of the Central e-Government Portal (CEGP), developing a set of Common Design Standards (CDS) for government portals and e-services, improving existing modules for e-service generation and e-participation, developing new modules with open API for user authorization, e-document delivery etc., supporting implementation of the CDS and the open API modules on other major government portals, establishing a system for continuous collection of data related to use of the government portals, Government Cloud and Government Network, providing software tools and training for Big Data processing, analytics and feeding the results back into the continuous improvement loop.

Outcome 3 – Improved e-services based on user feedback and engagement with key stakeholders:
- **Output 3.1 – Established an M&E framework,** by developing key indicators (gender responsive) and conducting a baseline study on the use of e-government services by citizens and businesses.
- **Output 3.2 – Engaged key stakeholders,** by supporting organization of annual conference „e-Government Day" and other stakeholder engagement activities (e.g. round table discussions and other collaboration activities with key stakeholders, such as the Digital Serbia Initiative, NALED's Alliance for e-Government, tech/start-up community etc.), contributing to shaping of Serbia's approach to regional cooperation in the sphere of digitalization, including through Western Balkans Six initiative.
- **Output 3.3 – Engaged wider community, established a system for collecting feedback and innovation ideas,** by establishing a system for collecting and processing customer feedback on government portals, supporting continuous engagement with the public in the digital sphere (including via social networks), organizing thematic brainstorming sessions, hackathons and/or innovation challenges.

Outcome 4 – Supported development of the innovative and creative industries:
- **Output 4.1 – Increased number of IT specialists in the labour market,** by implementing a pilot program for provision of employment-focused training in IT skills for junior programmer positions, analysing market needs, developing a national curriculum for informal education in major programming languages, developing a model for IT student groups in high schools, supporting curriculum development, providing policy advice for establishing compensation mechanism for IT instructors.
- **Output 4.2 – Supported development of the innovative and creative industries,** by providing policy advice and other support in implementation of the ministerial IT Council's and Council for Creative Industries' agendas.
- **Output 4.3 – Enhanced business environment for innovation,** by providing policy support for developing an enabling legal environment, particularly for e-business, start-ups and the emerging technologies (e.g. artificial intelligence, blockchain, smart city programs, etc.).
- **Output 4.4 – Supported tech-related public-private partnerships (Internet of Things, Big Data),** by providing technical and legal assistance in setting up public-private partnerships, especially on the local level, providing inputs for development of an adequate legal framework at the national level.
- **Output 4.5 – Improved access to finance for tech start-ups,** by providing policy support for improving access to finance and assessing models of public support to investment funds specialized in IT start-ups, biotech, fintech, agritech, etc.

Outcome 5 – Improved ICT infrastructure to support digital transformation of the public administration:

- **Output 5.1 – Supported development of the Government Data Centre/Disaster Recovery Facility**, by providing expert support and specialized services in managing the project, developing technical documentation, building and equipping the facility.

Outcome 6 – Improved business environment for the implementation of 4IR technologies

- **Output 6.1. Supported ITE in the establishment of the Center for the Fourth Industrial Revolution in Serbia, as well as the development of 4IR technology governance frameworks.** C4IR RS will be established in ITE and function as part of the WEF's global C4IR Network. The center will bring together government institutions, the business community, civil society, academia and international experts, to address common challenges and co-create harmonized frameworks for deploying 4IR technologies, testing their effectiveness and scaling them. The Implementing Partner (ITE) will sign the Agreement with WEF following the national procedures. On ITE's request, UNDP will pay funds directly to WEF for obligations and expenditures incurred by the Implementing Partner to support activities agreed in the work plan, including the WEF's affiliation fee. This cash transfer modality is selected given that ITE's adjusted risk rating is low.
- Initially, C4IR RS will focus on three thematic areas (C4IR Network's platforms), which align with the existing Government priorities: 1) Artificial intelligence and machine learning, 2) Autonomous and urban mobility, and 3) Precision medicine. It is expected that C4IR RS's work will contribute to the creation of a better business environment for the implementation of 4IR technologies in Serbia, open opportunities for new jobs, investments and economic development.

Resources Required to Achieve the Expected Results

The project has been developed with high ownership of national counterparts that will engage their resources in implementation of the project and quality assurance. In addition, the IT and Entrepreneurship Team of the government's Delivery Unit will be engaged in providing support in some of the project activities.

This project is part of a wider UNDP Accountable Governance portfolio and shall benefit from well-established lines of communication with all key stakeholders and routine management practice. The UNDP Program Analyst, Portfolio Manager – Innovation, Public Policy and Rule of Law, and Technical Advisor – Digital Governance will provide quality assurance, oversight and support from the angle of UNDP's rules and procedures. Project management and quality assurance will be cost-shared with other portfolio initiatives.

External expertise will be outsourced for conducting of in-depth studies and gap analyses, development of the technical specifications, analysis of potential service providers, system analysis, system design and programming services.

Further resources required for capital investments in infrastructure will be determined based on the needs assessment, analysis of potential service providers and means of service provision.

Partnerships

UNDP is often called upon to support development coordination mechanisms at country level, assist countries to formulate their national development strategies and align them with the Sustainable Development Goals. This is facilitated by long-standing UNDP partnerships at the highest levels of government, including with ministries of planning and finance, law-making bodies, such as parliaments and constitutional authorities.

The key operational partner on this project will be the Office for IT and e-Government. Close support will be provided by the IT and Innovation Team of Delivery Unit and the Prime Minister's Office. Regular communication will be established with the other government stakeholders, active in the IT Council. Attention will be given to building partnership with major government data holders and service providers, gathered in the Coordination Council for e-Government.

Outside of government, contacts will be established with the major infrastructure/IT service providers and IT experts. Business and professional associations will also have a significant role in the process, in particular the National Alliance for Local Economic Development (NALED) and Digital Serbia Initiative (DSI). Moreover,

a collaboration with NALED will be strengthened by signing the Responsible Party Agreement. NALED for will provide support to the Office for IT and eGovernment and other governmental institutions in the process of developing Government's policies needed for the advancement of IT infrastructure and electronic services. These activities will include support to the Government entities and the Working Groups in preparing laws and bylaws, comparative legal and economic analyses and monitoring tools needed for successful regulatory reforms and implementation. The support will also include providing assistance in building public-private dialogue and bringing together stakeholders and interested parties, in order to develop policies that will be supported by majority of stakeholders.

Given that the project is firmly linked to other initiatives implemented by the UNDP's Istanbul Regional Hub, including those that are regional in nature, our team in Serbia will fully utilize opportunities created for cooperation with peers in the region as well as global networks and centres of excellence.

This project will explore possibilities for applying the best practices of Great Britain, that is, the Government Digital Service (GDS), as the European and world leader in the field of digital transformation of public administration.

This is the only project specifically designed to support central coordination of e-government initiatives and rollout of the common ICT platforms to date. However, it is aligned with several other sector-specific initiatives which include e-government components. For example:

- Ongoing UNDP projects, such as the cooperation with the Ministry of Public Administration and Local Self-Government under the "Accelerating Change in Public Administration" project, Ministry of Economy under the "e-Starting a Business" project, Office for IT and e-Government under the "Open Data – Open Opportunities" project, Public Procurement Office and Public Debt Administration of the Ministry of Finance, both under the "Advancing Accountability Mechanisms in Public Finances" project and the National Assembly of the Republic of Serbia, along with a set of local assemblies at subnational level, under the "Strengthening the Oversight Function and Transparency of the Parliament" project;
- Ongoing "Serbia Business Environment Advisory Services Project", funded by UK GGF and implemented by IFC in partnership with the line ministers and the Public Policy Secretariat. This project contains two components dedicated to reducing costs and time for businesses by simplifying administrative procedures at the central government level;
- Other UK GGF-funded projects, such as "Towards a paperless administration" implemented by NALED;
- Ongoing World Bank loan for development of e-government in Serbia (EDGE project);
- Ongoing EU technical assistance for e-Government Strategy implementation, which will be implemented as complementary to the Sector Budget Support for Public Administration Reform;
- Ongoing development of the new Public Procurement Portal supported by GIZ;
- Ongoing development of the national digital geo-spatial infrastructure supported by the Government of Norway;
- Ongoing e-Justice projects supported by the USAID (Judiciary Reform and Government Accountability project) the EU and other donors;
- Ongoing e-Health projects (e.g. establishment of the Integrated Health Information System – IZIS), implemented by the Ministry of Health;
- Ongoing work of the Ministry of Trade, Tourism and Telecommunications on adopting and implementing the Strategy for Development of the New Generation Networks, which aims to improve the national broadband infrastructure and increase the Connectivity component of DESI. This effort is supported by the EBRD project "Serbia: National Broadband Implementation Programme – Analysis, Costing, Feasibility Study and Implementation Planning";
- Recently established cooperation between the Ministry of Trade, Tourism and Telecommunications and Ministry of Education, Science and Technology on building and maintaining the ICT infrastructure and connectivity in primary and secondary education institutions. This initiative, started in August 2017, will be financed by the Republic of Serbia, but also include private donors and companies;
- Public Policy Secretariat's expert support to the IT Council, established within the framework of the World Bank's "Competitiveness and Jobs" project and implemented by the Public Policy Support Team for Innovation-Based Entrepreneurship and IT;
- Ongoing construction of R&D facilities (such as the IT parks and innovation centres) to enhance knowledge capacity and scientific excellence in Serbia, supported by an EIB Western Balkans Infrastructure Framework project.

Donor coordination will be addressed through existing mechanisms (sector working group on Public Administration Reform), under the auspices of the Ministry for EU Integration. In addition, UNDP has a signed Memorandum of Understanding with the Government of Serbia, which has led to establishment of a joint UNDP-GoS Project Coordination Council. This Council includes representatives of the key ministries and UNDP and meets at least twice per year to review all new project initiatives and discuss potential for synergy with initiatives supported by other donors. Indirect coordination of donor-supported projects will be achieved through supporting the work of the Coordination Council for e-Government (which gathers government CIOs and CTOs) in strengthening cross-government coordination for planning, budgeting and implementing large IT projects. In addition, the UNDP, donors and national partners will organize knowledge sharing sessions in several instances throughout the duration of the project.

A more extensive list of stakeholders with whom partnerships are either well established or will be sought, is provided under the Stakeholder Engagement section.

Partnership in establishing the C4IR RS

Office for IT and e-Government will establish the Center for the Fourth Industrial Revolution in Serbia, in partnership with the World Economic Forum. This center will function as a part of the WEF's global C4IR Network. Upon signing of the Collaboration Agreement with the WEF, ITE will obtain the license to use the official designation of "WEF's Affiliate Center for the Fourth Industrial Revolution in Serbia". Direct payment of the affiliation fee to WEF will be done by UNDP on the bases of ITE's request and in line with the signed Agreement between ITE and WEF. Activities related to establishing the Center will include hiring core staff, initiating and conducting work on developing technology governance frameworks (in the thematic areas outlined in the Strategy section), work on testing and scaling the frameworks, as well as interfacing with the global C4IR Network and paying the affiliation fee for membership in the network. **UNDP will support through this project (Outcome 6) the activities related to setting up and operating the center.** Respective costs have been reflected in the budget.

Risks

Risks or uncertain events or a set of circumstances may occur and have adverse effects on the achievement of project goals. Many them have been identified at the project development stage, with corresponding risk mitigation measures, as presented in the annexed Risk Log. UNDP maintains an electronic risk log throughout project implementation and updates it at frequent intervals, notifying the project board members of any possible risks and potentially seeking their support in preventing or addressing them.

Serbia has faced frequently shortened electoral cycles, contributing to an extent to political instability and delayed reforms. While such developments seriously constrain the higher/management positions in the executive and legislative branches, the present project also relies on technical staff and civil servants, which are not greatly influenced by elections and political changes. This project is designed to interact with a series of institutions, thereby embedding the project goals in mainstream work, which should ensure continuity regardless of political shifts.

Additional problems that weaken the government's capacities include a substantial staff turnover and ban on further employment in the public sector. Wages in the central government administration are not competitive and do not correspond with the complexity of work that is required, especially considering increased pressure from the EU accession process. However, the Office for IT and e-Government is a newly established body that has the possibility to employ new staff. Also, the core mission of the Office to break new grounds in development of e-government in Serbia is highly motivational and provides a competitive basis for career development. The project itself is designed as a capacity building initiative, providing training that can attract career builders, while opening doors for transforming the business of government and introducing new models that can attract more skilful staff.

Application of ICTs in government are expected to reduce corruption by promoting transparency, opening government data to public scrutiny, automating government processes, restricting discretion of officials and limiting citizens' interaction with gatekeepers to access key services. Despite these high expectations and

global investments, evidence of impact is mixed and limited so far.[7] One may claim that the introduction of e-government is like any other restructuring of government procedures, aimed at identifying potential points of risk, neutralizing them and thus decreasing the opportunities for corruption. While being an important factor, e-government on its own cannot create miracles, without the overall political will to identify and neutralize points of risk. While this initiative, like most other e-government initiatives, is not primarily and explicitly aimed at addressing corruption challenges, there are many expected anti-corruption benefits, such as:[8]

- Reducing information asymmetries between office holders and citizens, enabling the latter to assert their rights without corruption interfering;
- Limiting the discretion of office holders, reducing their opportunities to extract bribes;
- Streamlining and automating specific processes to reduce interactions between office holders and citizens that can create opportunities for the development of corrupt networks;
- Removing intermediaries that often facilitate bribery;
- Reducing red-tape in public bureaucracies and thus remove potential entry points for corruption;
- Increasing the transparency of transactions with public officials, making them audit-able to deter corrupt behaviour;
- Providing a growing repertoire of collective action tools and platforms for citizens to organise, report and mobilise against corruption;
- Receiving feedback and reports from service users to regularly track satisfaction, identify problems, report corruption and improve service quality.

Stakeholder Engagement

Key stakeholders and target groups are identified as follows:
- **Decision makers (high-level appointees, CIOs, CTOs) and civil servants (IT admins, e-service admins) in central and local government institutions.** The main avenue for engagement with decision makers will be through the IT Council and Coordination Council for e-Government (gathering government CIOs and CTOs). Also, direct contacts with major government data holders and service providers will be maintained throughout the project. This project will seek to strengthen capacities of civil servants by providing trainings, producing materials and providing tools.
- **Infrastructure providers (telecommunications operators, ISPs, cloud service providers etc.), providers of IT services (hosting providers, system integrators, web developers) and IT experts** are key for successful implementation of e-government projects supported by this project. These stakeholders will be engaged through direct contact and industry events.
- **Business and professional associations** will be consulted on many policy and implementation issues. Some of the most important are: ICT Association of the Serbian Chamber of Commerce, Foreign Investors Council (FIC), regional IT clusters, e-Government Alliance of the National Alliance for Local Economic Development (gathering representatives of major Serbian banks, retailers and IT system integrators), Digital Serbia Initiative (gathering fast-growing tech start-ups and prominent IT companies). These stakeholders will be engaged through direct contact and thematic round tables, brainstorming sessions, workshops and similar events.
- **General public (citizens and businesses)**, as the main users of e-government services, will be engaged throughout the project – either directly (e.g. through social media, feedback forms on the government portals etc.) or through targeted campaigns on digital and traditional platforms. It is essential that the needs and concerns of these groups are identified and addressed, so several user experience and user satisfaction surveys will be commissioned within this project. These surveys will be performed at the beginning of the project to provide a baseline and will be conducted periodically as a means of monitoring progress and verifying the overall strategy. Indicators and surveys will be developed in cooperation with the national partners and communications professionals. All data collection will be directly related to the project objectives, while implementation of certain project activities will be informed by the results of the conducted surveys (e.g. introduction of new e-services). The project will also explore possibilities of introducing incentives for wider use of e-government services in the target groups (e.g. introducing discounts, free delivery or other incentives for stimulating e-government over traditional means for requesting government services).

It is important to stress that all key stakeholders, such as the Prime Minister's Office, the Office for IT and e-Government and all major e-government service providers are strongly in favour of the government's digital

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[7] "Literature review: The use of ICTs in the fight against corruption", U4 Anti-Corruption Resource Centre.
[8] World Bank 2016; Dupuy and Serrat 2014; Zinnbauer 2012.

agenda. They are fully aware of the needs for a better cooperation and cross-government coordination, building common ICT platforms, adopting standards and increasing data exchange between institutions. Moreover, an increasing number of institutions have been approaching the ITE with numerous requests for support ever since this institution was established (e.g. requests for moving hardware into more safer government data centres, implementing e-payment solutions, accessing information from other institutions' databases etc.). This illustrates that many institutions have a clear need and interest in supporting the ITE and the proposed digital reform push.

However, every reform process brings changes that are not always welcomed by all involved stakeholders. Institutional inertia and vested interests may try to introduce obstacles in the process of digital transformation proposed by this project. Therefore, this project will work on introducing changes, in close coordination with all involved parties, through incremental/phased approach and careful risk management on every step. For example, the first focus will not be on touching the existing production systems and legacy applications, but on establishing common hardware and software platforms (i.e. Government Network, Government Cloud, Meta Registry, Government Service Bus, common visual standards for state portals, open API modules for e-payments, e-delivery etc.). Moving on, all changes to the existing systems will be introduced incrementally. First, major e-government service providers (e.g. Tax Administration, Public Procurement Office, Serbian Business Registrars Agency etc.) will be able to move their existing hardware equipment into the newly established government data centre facilities. Later, they will be able to benefit from the common virtual infrastructure and common modularized services (e.g. they will be able to "containerize" legacy applications for execution from the cloud, start using data feeds from other institutions via the Government Service Bus, start using modules for e-payments and e-delivery, benefit from centralized service security/monitoring etc.). Such phased approach will allow for controlled and incremental change, but also provide space for evaluating risks and developing mitigation strategies. It will also allow the large e-government service providers to gradually build trust in the new platforms and capacities of the ITE, and experience concrete benefits (e.g. in terms of reduced cost of ownership, increased service availability etc.). Therefore, we expect that implementation of this project will be seen as a key driver in the public administration reform and breathe a new life into this process.

A more detailed stakeholder engagement plan for each project activity will be developed in the inception phase. The Project Board will be involved in this process.

South-South and Triangular Cooperation (SSC/TrC)

The project design was informed by comparative practice from the region, particularly Croatia and Slovenia. These experiences will also be valuable in mitigating potential risks that may occur during the project implementation. Also, national digital governance strategies of Italy and the UK were consulted for overall direction guidance.

In early August 2017, UNDP commissioned an inception stage assessment of the Serbian digital governance landscape, which also informed this project. The assessment was performed by the Estonian e-Governance Academy, in close cooperation with the national partner (ITE) and involved consultations with all key stakeholders in the Serbian government (e.g. Prime Minister's Office, Ministry of Public Administration and Local Self-Government, Ministry of Trade, Tourism and Telecommunications, operators of the state network and major operators of state IT systems, key registries), ICT infrastructure operators and members of the National Alliance for Local Economic Development's e-Government Alliance (gathering representatives of major Serbian banks, retailers and IT system integrators).

Knowledge

Many knowledge products will be produced within the project, including studies, reports, training materials, best practice documents, technical documentation, databases and software applications. Reports and studies will be shared with partners and key stakeholders within the government and discussed with partners outside of government. Dissemination of training materials and best practices will be organized within the capacity building activities. Technical documentation will be available to all who need to perform technical tasks through a web-based document repository. Key knowledge products will also be shared through the UNDP online platforms (web, open.undp.org etc.).

Sustainability and Scaling Up

The project objectives are based on the existing national legislative and strategic documents, such as the strategic frameworks for Development of the Information Society, Public Administration Reform, Development of e-Government, and others outlined in the Development Challenge section. Such an approach ensures inherent ownership over the project's interventions and targets the core needs of the administration, contributing much to sustainability.

The project's design includes interventions that have a built-in sustainability element:
- A series of legislative changes and alignment thereto will be supported throughout the project, ensuring new institutes remain well-grounded beyond the project's lifecycle;
- Technical solutions will be carefully designed ensuring interoperability, which inherently extends the lifetime of a technical solution, and no, or limited maintenance, based on capacities of the national partners;
- Any comparative experience will be transposed paying attention to the national contexts and well adapted prior to implementation.

In addition, sustainability will be ensured through a dedicated capacity-building component, aimed both at the capacities of ITE to coordinate and lead implementation of the government's ICT policies, and capacities of other institutions to implement e-government solutions, provide e-services and ensure information security.

A significant part of project activities is aimed at supporting the establishment of long-term sustainable e-government platforms that will provide for lower maintenance costs, greater reliability and security, easier extensibility and scalability.

The project includes an important component of establishing a system for monitoring all key e-government systems and portals, collecting of usage data and customer feedback, as well as their analytics. The conclusions of these analyses will be used to provide for system stability, further improvements and scaling up.

Finally, the initiative to launch the C4IR RS is firmly rooted in, and aligned with, national, regional and global strategic frameworks (as outlined in the Strategy section). This provides a solid ground for a longer-term sustainability. To further ensure alignment with government's priorities and secure high-level support, C4IR RS will receive policy and strategic advice and nationally driven support from the Government's Council on Digital Economy. This Council gathers representatives of all line ministries and other institutions, as well as representatives of the Serbian tech ecosystem and civil society organizations.[9] The Council will meet once a year with representatives of the C4IR RS to provide guidance in project implementation and ensure full buy-in of relevant stakeholders. After first two years of operation, the stakeholders in the Council will begin evaluating the work and results of the C4IR RS and engage in discussion with UNDP on its future. The outcome of this discussion will provide input for a decision on future of the Center. UNDP and partners will develop options to ensure sustainability of the achieved results and benefits

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

One of the project's main objectives is to decrease time and costs of citizens and businesses associated with interfacing with the public administration. This aspect will be closely monitored during the project implementation. Successful implementation of the project will also lead to streamlined processes of providing government services and consequently to huge time and money savings. The administration will also be relieved, as integrated services and one-stop shops, enabled by data exchange between institutions, will eliminate the risks of mistakes associated with manual filling of paper-based forms and submission of incomplete, invalid or outdated supporting documentation by customers. Also, the shift to more digitalized and automated governance systems will contribute to reducing opportunities and increase the risks of engaging in corruption.

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[9] Decision on the formation of Council for supporting development of the digital economy, innovation, hi-tech entrepreneurship and digitalization of the business, Official Gazette of the Republic of Serbia, No. 38/2021 .

As it has been said, a significant part of project activities are aimed at supporting the establishment of long-term sustainable e-government platforms. Gradual transition to the Government Cloud will ensure that ICT projects and infrastructures are not duplicated, scarce human resources are optimally used, and that scalable and reliable infrastructure is in place to support rapid provision of user-focused services in a secure, scalable and cost-effective manner.

A portfolio management approach is foreseen for implementing the proposed activities, to improve cost effectiveness by leveraging activities and partnerships with other initiatives and projects. In its approach, UNDP relies heavily on national capacities and uses its 'national implementation modality' where possible (i.e. where government procedures and capacities exist, and are applicable/appropriate for implementation of activities). Apart from contributing to sustainability of results, such an approach decreases operational costs, but ensures a robust monitoring and assurance of both financial and operational performance.

Project Management

Project management will be seated at the UNDP Serbia office. The management costs are calculated on a cost-sharing basis between the donors contributing to the overall portfolio. This ensures more efficient and effective implementation at less cost per donor. The project is a part of the Accountable Governance program at UNDP Serbia and will rely on synergies with other associated initiatives (e.g. Advancing Accountability in Public Finances, the parliamentary portfolio, and the range of projects contributing to public administration reform), as well as coordination with other program clusters.

As mentioned in the previous sections, UNDP Program Specialist/Team Leader, Portfolio Manager – Digital Innovations, , and Technical Advisor – Digital Governance will provide technical and managerial support from the angle of UNDP's rules and procedures. UNDP will also provide support for procurement of goods and services.

V. RESULTS FRAMEWORK[10]

Note: Please refer to "Logframe matrix" in Annex 4 for further details.

Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:

Governance institutions at all levels have enhanced accountability and representation to provide better quality services to people and the economy.

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:

Indicator: Governance effectiveness index

Baseline (2013): -0.10

Target: 0.1 by 2020

Indicator: Regulatory effectiveness index

Baseline (2013): 0.15

Target: 0.44 by 2020

CPD Output 1: Governance institutions operate in a more open and effective manner

Indicator: Public administration reform action plan implemented (Y/N)

Baseline: No (Public administration reform strategy adopted, action plan to be adopted in 2015)

Target: Yes

Data source, frequency: Ministry of Public Administration and Local Self-Government (annual)

Indicator: Percentage of implemented e-governance strategy

Baseline: Strategy for development of e-governance drafted, pending adoption in 2015

Target: At least 25% of the strategy measures implemented by end 2017; 75% implemented by 2019

Data source, frequency: Ministry of Public Administration and Local Self-Government, Office for IT and e-Government (annual)

Applicable Output(s) from the UNDP Strategic Plan:

2.2.1 Use of digital technologies and big data enabled for improved public services and other government functions

Project title and Atlas Project Number:

Serbia at Your Fingertips – Digital Transformation for Development (104516)

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[10] 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.

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE Value	BASELINE Year	TARGETS (by frequency of data collection) 2018	2019	2020	2021	2022	2023	DATA COLLECTION METHODS & RISKS
Output 1.1 Capacity building of ITE conducted on coordination and digital strategy implementation	*Developed and adopted new e-government policy document and action plan (2019-2021)*	Government report	Policy document and action plan not adopted	2017	Initiated work on drafting the documents	*e-Government policy document and action plan adopted*	*e-Government action plan for 2020 implemented*	Action plan revised and adopted	Supported the evaluation of eGovernment programme and provided inputs/recommendations for new eGovernment programme	New eGovernment Development Programme adopted	Observation
Output 1.2 Provided support for other institutions in application of ICTs and e-Government	*Developed procedures and implemented measures for alignment of ITE's operations with information security and data protection legislation and standards[11]*	ITE data, Government report	Procedures do not exist, measures not in place	2017	Procedures do not exist, measures not in place	Procedures developed; measures implemented to some extent	All procedures and measures fully implemented	ITE staff trained on GDPR and information security	Work on the alignment of the GDPR requirements commenced	Work on the alignment of the GDPR requirements continued	Observation, field visit
Output 1.3 Improved overall e-government policy/project/budget coordination and planning	*Regulation related to eGovernment improved*	Government report	Relevant policies adopted	2022	/	/	/	/		Regulation related to eGovernment improved	Observation, field visit
	e-Government Support Centre established and e-services supported	ITE data	e-Government Support Centre does not exist	2017	e-Government Support Centre established, supported 3 e-services	Supported 6 e-services	Supported 8 e-services	Supported 10 services	/	/	Observation, field visit
	e-Government Capacity Building Framework developed	ITE and NAPA data	No framework in place	2017	No framework in place	Framework adopted	/	/	/	/	Observation

[11] Law on Information Security (ISO 27001 compliance), Law on Personal Data Protection (GDPR compliance)

Indicator	Means of verification	Baseline	2017							Observation
Number of training curricula developed	Training materials developed	0	2017	0	2	7	10	/	/	
Number of civil servants trained per year in application of e-government solutions, provision of e-services and information security within the project (disaggregated by gender, institution)	Field visit reports, training evaluations	0	2017	0	350	700	1500 trained in design thinking, service take up, methodology for measuring and eGov building blocks (eID, ePayment, eDelivery,eSignature)	2200 trained in eGovernment and digital competences	4000 trained in eGovernment and digital competences	Observation, field visit
Output 2.1 Supported development of the Government Network **Output 2.2** Supported development of the Government Cloud *Supported establishment of ITE's Infrastructure and Applications Monitoring and Operations Centre, improved resilience of government ICT infrastructures*	ITE data	Operations centre does not exist	2017	Operations centre does not exist	Operations Centre established, partly operational (procedures developed, staff trained, core IT systems installed)	Operations Centre fully operational			Operations centre scaled	Observation, field visit
Output 2.3 Supported establishment of the key registries, interoperability mechanisms, reliable Government Service Bus and new integrated e-services *ITE capable to operate government ICT infrastructures at scale – number of government institutions hosting their applications/systems in the Government Cloud facilities*	ITE data	0	2017	3	20	50	60	65	70	Observation
Output 2.4 Improved design, accessibility and functionality of the government portals and *Supported establishment of the Government Data Centre/Disaster*	ITE data, documents developed	Data centre concept not in place, operational	2017	Initiated work on producing data centre concept	Produced data centre concept and operational			Data centre staffed to some extent	Data centre fully staffed	Observation

Indicator	Means of verification	aspects not analysed		aspects analysis					Method
established a system for data collection, analytics and continuous improvement									
Recovery Facility – data centre concept produced, operational aspects analysis conducted									
Cloud readiness assessment methodology for government apps developed, app migration roadmaps produced	ITE data, reports produced	No cloud readiness assessment methodology in place	2017	Cloud readiness assessment methodology adopted, 10 app migration roadmaps produced	50 app migration roadmaps produced	60 app migration roadmaps produced			Observation
High-level architecture of the key registries and interoperability platforms for e-government developed, and implementation supported	ITE data, documents developed	*High-level architecture not defined*	2017	*High-level architecture defined, supported implementation of key system components (Meta Registry and other components - TBD)*	*High-level architecture fully implemented and operational*	High lever architecture implemented with BPM DMS and eRegistry	Interoperability platform and key common applications developed		Observation
Number of optimized government services digitalized	ITE data	0	2017	5	15	20	22	23	Observation
Guidelines for building government web sites updated, information security and accessibility aspects implemented	ITE data, reports produced	Guidelines not updated	2017	Guidelines updated, information security and accessibility assessments produced for 2 government portals	Assessment recommendations implemented; assessments produced for 2 additional government portals	Assessments produced for 5 additional government portals			Observation
Developed system for data collection, analytics and continuous improvement of	Field visit reports	System not in place	2017	System developed, 1 government web site/portal	3 additional government web sites/portals included, and	3 additional government web sites/portals included, and			Field visit

23

Output	Indicator	Means of verification	Baseline	Year / baseline	included, and product roadmap developed	product roadmaps developed	product roadmaps developed			Data source
Output 3.1 Established an M&E framework	*Established methodology for measuring quality, efficiency and take-up of e-government services (gender responsive)*	Baseline study and subsequent measurements	No methodology established	2017 / No methodology established	Methodology established, baseline determined	Progress measured	Assessment done for 10 eServices trough methodology	Preparation for 10 capacity building workshops started	10 capacity building workshops held for co-creation and improvement of e-services	Survey
Output 3.2 Engaged key stakeholders	*government web sites*									Observation
Output 3.3 Engaged wider community, established a system for collecting feedback and innovation ideas	*Communications strategy developed and implemented*	Document developed	No strategy in place	2017 / No strategy in place	Strategy developed	Strategy activities implemented to some extent - TBD	Communication plan for 2021 developed and implemented	Communication plan developed and implementation started	Communicati on plan developed and implementatio n started	Observation
	Number of e-services improved based on user feedback and engagement with key stakeholders	ITE data	0	2017 / 0	TBD	TBD	5	7 (additional 2)	8	Observation
Output 4.1 Increased number of IT specialists in the labour market	*Number of participants having completed informal IT education*	Filed visit reports	100	2017 / 800	1200	TBD	220	220	/	Field visit
Output 4.2 Supported development of the innovative and creative industries	*Percent of the trainees employed within 9 months of attending the training*	Field visit reports	0	2017 / 40%	40%	240	50%	35%	/	Field visit
Output 4.3 Enhanced business environment for innovation	*Defined program, financial and organizational framework of the New Drama Festival*	Program defined	Program does not exist	2019 / N/A	Program defined; first edition of the festival held			/	/	Observation, Field visit
Output 4.4 Supported tech-related	*Creative Hub Lozionica*	Program defined	Competition not started	2020 / N/A	N/A	N/A	Competition for Creative Hub Lozionica finished,	/	/	Observation

Output	Indicator	Means of verification	Baseline	Year	Milestone 1	Milestone 2	Milestone 3	Milestone 4	Milestone 5	Milestone 6	Data source
public-private partnerships	conceptual solution design							and wining ideas rewarded			
Output 4.5 Improved access to finance for tech start-ups.											
	Creative Hub preparatory examination for Technical documentation done and reports developed	Documentation for the preparatory examination	Preparatory examination done and technical reports developed	2020	N/A	N/A	N/A	Preparatory examination done	/	/	Observation
	Creative Hub technical documentation developed	Technical documentation	Development of the Technical documentation not started	2020	N/A	N/A	N/A	Development of the technical documentation started	Technical documentation developed and building permit obtained	Support provided to ITE during the construction works	Observation
	New, young authors and artists gained new knowledge and established new contacts	Monitoring visit reports	No non-academic education of new actors in performing arts scene	2019	N/A	Two master classes held	2 events organized	5 events organised	10 events organized (5 more)	15 events organized (5 more)	Observation, field visits
Output 5.1 Supported development of the Government Data Centre/Disaster Recovery Facility	Developed technical documentation and supported building of the Government Data Centre/Disaster Recovery Facility	Documentation developed, field visit reports	No	2017	Documentation development initiated	Documentation development completed, building permit issued	Supported building of the facility	/			Observation, field visits
	Data center certified	Certification report	No certificate in place	2020			/	Certification process finished and certificate obtained	DC ISO 27701 and EN 50600 certification process started	EN 50600 certification obtained	Observation
	Data center legal entity established	Documentation on developed and approved	No documentation on in place	2020			/	Documentation developed and adopted			Observation
	Data centre staffing plan developed	Staffing plan and	No staffing plan in place	2020			/	Documentation developed and adopted			Observation
	Platform for advanced technology	Field visit	No platform in place	2020			/	Platform established			Observation

Indicator	Means of verification	Baseline	Year			60	65	100		Data collection method
established in Data Centre / Application migrated to Data Center	Field visit	No applications in DC	2020	/		60	65	100		Observation
Staffing plan of the Center developed	Staffing plan document	No	2021	/	/	/	Yes	/	/	Observation
Output 6.1 Supported ITE in the establishment of the Center for the Fourth Industrial Revolution in Serbia, as well as the development of 4IR technology governance frameworks — Core team of the Center hired	Project reports	No	2021	/	/	/	Yes	/	/	Observation, Field visit
Landscaping studies conducted to map the thematic area	Published studies	0	2021	/	/	/	2	1	/	Observation
Number of multi-stakeholder groups of C4IR RS fellows formed	Project reports	0	2021	/	/	/	1	2	/	Observation, Field visit
Number of technology governance frameworks drafted	Project reports	0	2021	/	/	/	0	3	/	Observation

VI. 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	Partners (if joint)	Cost (if any)
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.	Quarterly, 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. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Field visits will be conducted by project assurance to ensure managerial and project accountabilities and delivery of planned results. Audits and spot checks will be conducted in accordance with UNDP's audit policy to manage financial risk.	Internal control audit: At least once every other year if annual expenditure exceeds $200,000 per year. Spot check: At least 1 per year, excluding year of audit for minimum $50,000 expenditures in 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.		$ 3000
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)	
Project Review (Project Board)	The project's governance mechanism (i.e. 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.	At least annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.

Evaluation Plan[12]

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
Final Evaluation	Office for IT and e-Government	2.2.1 Use of digital technologies and big data enabled for improved public services and other government functions	Governance institutions at all levels have enhanced accountability and representation to provide better quality services to people and the economy.	2023	As per "Stakeholder engagement" and "Partnerships" sections	$ 20,000
Mid term evaluation	Office for IT and e-Government	2.2.1 Use of digital technologies and big data enabled for improved public services and other government functions	Governance institutions at all levels have enhanced accountability and representation to provide better quality services to people and the economy	2021, finalized	As per "Stakeholder engagement" and "Partnerships" sections	$ 14,400

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[12] Optional, if needed

VII. MULTI-YEAR WORK PLAN [13],[14]

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year							RESPON-SIBLE PARTY	PLANNED BUDGET		
		2017	2018	2019	2020	2021	2022	2023		Funding Source	Budget Description	Amount
	1.1 Capacity building of ITE conducted on coordination and digital strategy implementation	$0.00	$0.00	$0.00	$9,787.13	$1,414.41	$2,402.56	$0.00	UNDP	GoS	Communication and media	$13,604.10
OUTPUT 1: Built capacities for effective coordination and implementation of the digital government strategy	1.2 Provided support for other institutions in application of ICTs and eGovernment	$0.00	$0.00	$73,962.00	$170,714.87	$62,303.10	$0.00	$60,500.00	UNDP	GoS	Company contracts	$367,479.97
	1.3 Improved overall e-government policy/project/budget coordination and planning	$0.00	$18,600.00	$63,500.00	$21,630.00	$60,114.46	$0.00	$0.00	UNDP	UK GGF	Company contracts	$163,844.46
		$0.00	$108.84	$97,280.01	$6,273.26	$22,111.26	$25,453.27	$25,782.16	UNDP	GoS	Contractual services (individuals)	$177,008.80
Gender marker:		$0.00	$23,538.17	$40,574.87	$33,577.57	$8,509.39	$0.00	$0.00	UNDP	UK GGF	Contractual services (individuals)	$106,200.00
		$0.00	$9,885.86	$0.00		$0.00	$0.00	$0.00	UNDP	UNDP	Contractual services (individuals)	$9,885.86
		$0.00	$0.00	$8,374.78	$0.00	$0.00	$0.00	$0.00	UNDP	GoS	Grants	$8,374.78
		$0.00	$20,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	UNDP	UK GGF	Grants	$20,000.00

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13 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.

14 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.

Total	Budget Category	Source 1	Source 2							
$14,354.10	Miscellaneous	UK GGF	UNDP	$0.00	$0.00	$1,819.83	$6,419.72	$2,387.05	$3,727.50	$0.00
$2,269.83	Equipment	GoS	UNDP	$0.00	$2,269.83	$0.00	$0.00	$0.00	$0.00	$0.00
$15,391.41	Miscellaneous	GoS	UNDP	$0.00	$10,702.79	$4,688.62	$0.00	$0.00	$0.00	$0.00
$205.00	Miscellaneous	UNDP	UNDP	$0.00	$0.00	$0.00	$0.00	$205.00	$0.00	$0.00
$7,290.60	National Consultants	UK GGF	UNDP	$0.00	$0.00	$0.00	$7,290.60	$0.00	$0.00	$0.00
$232,404.90	National Consultants	GoS	UNDP	$80,000.00	$10,100.00	$18,644.40	$38,204.66	$83,641.89	$1,813.95	$0.00
$46,150.00	National Consultants	UNDP	UNDP	$0.00	$0.00	$0.00	$0.00	$0.00	$46,150.00	$0.00
$100,000.00	National Consultants	GoS	NALED	$100,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
$43,090.36	Policy advice, backstopping and coordination	GoS	UNDP	$16,766.42	$4,201.08	$1,500.00	$12,892.94	$7,660.32	$669.60	$0.00
$36,000.00	Policy advice, backstopping and coordination	UK GGF	UNDP	$0.00	$0.00	$4,000.00	$14,500.00	$14,500.00	$3,000.00	$0.00
$3,243.60	Printing and translation	GoS	UNDP	$0.00	$0.00	$0.00	$2,499.68	$743.92	$0.00	$0.00
$167,969.39	Training, workshops and conferences	GoS	UNDP	$90,000.00	$10,204.61	$25,776.56	$16,000.50	$25,987.72	$0.00	$0.00
$61,394.27	Training, workshops and conferences	UK GGF	UNDP	$0.00	$0.00	$0.00	$0.00	$40,164.33	$21,229.94	$0.00
$50,000.00	Training, workshops and conferences	GoS	NALED	$50,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
$14,547.19	Travel	GoS	UNDP	$0.00	$7,653.90	$0.00	$0.00	$6,893.29	$0.00	$0.00
$28,470.32	Travel	UK GGF	UNDP	$0.00	$0.00	$0.00	$1,462.29	$27,008.03	$0.00	$0.00
	MONITORING									
$1,689,178.94	**Sub-Total for Output 1**									
$372,560.92	**OUTPUT 2:** Established ICT platforms for provision of user-focused e-services and improved government Output 2.1 Supported development of the Government Network	GoS	UNDP	$125,500.00	$410.95	$107,138.58	$32,000.00	$78,900.67	$28,610.72	$0.00
$871,273.13	2.2 Supported development of the Government Cloud / Company contracts	UK GGF	UNDP	$0.00	$0.00	$11,250.00	$519,523.13	$279,000.00	$61,500.00	$0.00

efficiency

Gender marker:

Activity							Source	Donor	Budget category	Total
2.3 Supported establishment of the key registries, interoperability mechanisms, reliable Government Service Bus and new integrated e services	$0.00	$0.00	$30,000.00	$0.00	$0.00	$0.00	UNDP	UNDP	Company contracts	$30,000.00
2.4 Improved design, accessibility and functionality of the government portals and established a system for data collection, analytics and continuous improvement	$3,836.28	$9,037.20	$5,127.68	$69,034.91	$30,597.41	$128,682.87	UNDP	GoS	Contractual services (individuals)	$246,316.35
	$22,840.12	$52,611.11	$203,609.41	$39,539.36	$0.00	$0.00	UNDP	UK GGF	Contractual services (individuals)	$318,600.00
	$25,540.00	$0.00	$0.00	$20,000.00	$0.00	$0.00	UNDP	GoS	Grants	$45,540.00
	$3,523.65	$4,142.91	$3,735.95	$3,888.34	$0.00	$0.00	UNDP	UK GGF	Miscellaneous	$15,290.85
	$0.00	$0.00	$0.00	$479.96	$0.00	$0.00	UNDP	GoS	Miscellaneous	$479.96
	$3,127.50	$2,291.30	$9,699.60	$30,523.19	$13,754.50	$350,819.14	UNDP	GoS	National consultants	$410,215.23
	$0.00	$34,433.01	$57,419.59	$0.00	$0.00	$0.00	UNDP	UK GGF	National consultants	$91,852.60
	$2,296.46	$3,366.68	$1,000.00	$1,500.00	$4,000.00	$32,373.05	UNDP	GoS	Policy advice, backstopping and coordination	$44,536.19
	$12,000.00	$38,500.00	$38,500.00	$19,000.00	$0.00	$0.00	UNDP	UK GGF	Policy advice, backstopping and coordination	$108,000.00
	$261.95	$225.65	$255.95	$0.00	$0.00	$0.00	UNDP	GoS	Printing and translation	$743.55
	$0.00	$0.00	$217.60	$18,399.89	$4,146.58	$75,000.25	UNDP	GoS	Training, workshops and conferences	$97,764.32
	$6,440.36	$0.00	$0.00	$148.28	$0.00	$0.00	UNDP	GoS	Travel	$6,588.64
	$0.00	$0.00	$444.40	$0.00	$0.00	$0.00	UNDP	UK GGF	Travel	$444.40
MONITORING										
Sub-Total for Output 2										$2,660,206.14
OUTPUT 3: Improved e-services based on user — 3.1 Established an M&E framework	$0.00	$0.00	$9,980.00	$20,928.80	$0.00	$0.00	UNDP	GoS	Communication and media	$30,908.80
3.2 Engaged key stakeholders	$130,466.23	$192,679.43	$115,343.41	$396,444.76	$82,328.94	$16,600.00	UNDP	GoS	Company contracts	$933,862.77

Description										Category	Total
feedback and engagement with key stakeholders	$0.00	$0.00	$3,996.29	$60,022.79	$91,196.65	$0.00	$0.00	UNDP	UK GGF	Company contracts	$155,215.73
Gender marker:	$0.00	$13,273.92	$1,264.04	$8,714.50	$96,785.98	$235,093.06	$158,411.59	UNDP	GoS	Contractual services (individuals)	$513,543.09
3.3 Engaged wider community, established a system for collecting feedback and innovation ideas	$0.00	$0.00	$23,230.85	$66,709.69	$16,259.46	$0.00	$0.00	UNDP	UK GGF	Contractual services (individuals)	$106,200.00
	$0.00	$0.00	$0.00	$0.00	$26,890.00	$16,890.00	$0.00	UNDP	GoS	Grants	$43,780.00
	$0.00	$0.00	$9,943.29	$0.00	$0.00	$0.00	$0.00	UNDP	UK GGF	Grants	$9,943.29
	$0.00	$17,592.00	$0.00	$0.00	$0.00	$0.00	$0.00	UNDP	GoS	International consultants	$17,592.00
	$0.00	$0.00	$0.00	$0.00	$7,150.41	$4,040.05	$0.00	UNDP	GoS	Equipment	$11,190.46
	$0.00	$0.00	$0.00	$7,200.00	$7,200.00	$0.00	$0.00	UNDP	UK GGF	M&E	$14,400.00
	$0.00	$585.59	$223.65	$0.00	$273.23	$21.35	$0.00	UNDP	GoS	Miscellaneous	$1,103.82
	$0.00	$0.00	$4,801.27	$5,292.37	$5,488.92	$0.00	$0.00	UNDP	UK GGF	Miscellaneous	$15,582.56
	$0.00	$51,324.67	$718.64	$25,146.32	$56,923.86	$61,398.23	$25,083.00	UNDP	GoS	National consultants	$220,594.72
	$0.00	$0.00	$0.00	$20,388.47	$5,311.65	$0.00	$0.00	UNDP	UK GGF	National consultants	$25,700.12
	$0.00	$9,288.80	$4,611.76	$7,000.00	$10,000.00	$20,000.00	$26,586.04	UNDP	GoS	Policy advice, backstopping and coordination	$77,486.60
	$0.00	$15,000.00	$9,500.00	$9,200.00	$2,300.00	$0.00	$0.00	UNDP	UK GGF	Policy advice, backstopping and coordination	$36,000.00
	$0.00	$3,002.78	$448.77	$5,920.22	$7,498.41	$1,895.33	$0.00	UNDP	GoS	Printing and translation	$18,765.51
	$0.00	$0.00	$1,399.92	$400.00	$0.00	$0.00	$0.00	UNDP	UK GGF	Printing and translation	$1,799.92
	$0.00	$12,690.62	$1,231.75	$14,898.92	$40,221.69	$51,264.08	$0.00	UNDP	GoS	Training, workshops and conferences	$120,307.06
	$0.00	$0.00	$20,562.84	$19,434.42	$0.00	$0.00	$0.00	UNDP	UK GGF	Training, workshops and conferences	$39,997.26
	$0.00	$13,961.05	$60,608.62	$2,408.98	$38,011.15	$26,756.82	$0.00	UNDP	GoS	Travel	$141,746.62

MONITORING

Activity	Budget category	Funding source	Implementing partner								Total
Sub-Total for Output 3											$2,535,720.33
4.1 Increased number of IT specialists in the labor market	Communication and media	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$0.00	$732.01	$0.00	$0.00	$732.01
4.2 Supported development of the innovative and creative industries	Communication and media	GoS	UNDP	$0.00	$10,762.43	$1,823.30	$0.00	$6,673.65	$0.00	$0.00	$19,259.38
4.3 Enhanced business environment for innovation	Company contracts	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$28,425.62	$61,696.08	$0.00	$0.00	$90,121.70
4.4. Supported tech-related public private partnerships)	Company contracts	GoS	UAS	$0.00	$1,600.00	$31,327.49	$0.00	$0.00	$0.00	$0.00	$32,927.49
4.5 Improved access to finance for tech start-ups	Company contracts	GoS	UNDP	$50,500.00	$196,148.59	$571,902.46	$307,240.54	$349,952.14	$770,802.16	$56,850.00	$2,303,395.89
OUTPUT 4: Supported development of the innovative and creative industries	Company contracts	UNDP	UNDP	$0.00	$0.00	$0.00	$0.00	$0.00	$31,354.00	$0.00	$31,354.00
Gender marker:	Contractual services (individuals)	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$2,406.41	$28,438.20	$0.00	$0.00	$30,844.61
	Contractual services (individuals)	GoS	UNDP	$141,041.48	$92,326.97	$243,849.93	$45,888.07	$58,998.13	$64,014.58	$3,411.00	$649,530.16
	Contractual services (individuals)	UNDP	UNDP	$0.00	$0.00	$0.00	$0.00	$0.00	$9,600.00	$0.00	$9,600.00
	Grants	GoS	UNDP	$0.00	$0.00	$0.00	$12,310.29	$453,127.50	$427,453.00	$0.00	$892,890.79
	International consultants	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$0.00	$3,916.90	$0.00	$0.00	$3,916.90
	International consultants	GoS	UNDP	$0.00	$0.00	$9,681.23	$0.00	$0.00	$0.00	$0.00	$9,681.23
	Innovation Prizes Individuals	GoS	UAS	$0.00	$0.00	$73,158.10	$0.00	$0.00	$0.00	$0.00	$73,158.10
	M&E	GoS	UNDP	$0.00	$0.00	$0.00	$3,750.00	$1,881.45	$0.00	$0.00	$5,631.45
	Miscellaneous	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$449.84	$4,326.54	$0.00	$0.00	$4,776.38
	Miscellaneous	GoS	UNDP	$0.00	$3,812.93	$684.68	$1,508.10	$690.54	$340.40	$0.00	$7,036.65

Total	Category									
$28,716.36	National Consultants	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$11,634.10	$17,082.26	$0.00	$0.00
$18,404.33	National Consultants	GoS	UAS	$0.00	$0.00	$18,404.33	$0.00	$0.00	$0.00	$0.00
$843,058.04	National consultants	GoS	UNDP	$107,093.00	$331,653.48	$129,037.59	$192,075.15	$81,393.91	$1,804.91	$0.00
$167,246.76	Policy advice, backstopping and coordination	GoS	UNDP	$61,005.52	$20,000.00	$13,290.50	$17,000.00	$11,565.08	$42,111.66	$2,274.00
$6,960.00	Policy advice, backstopping and coordination	UNDP		$0.00	$0.00	$0.00	$0.00	$0.00	$6,960.00	$0.00
$36,633.82	Printing and translation	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$6,683.12	$29,950.70	$0.00	$0.00
$5,993.84	Printing and translation	GoS	UAS	$0.00	$5,993.84	$0.00	$0.00	$0.00	$0.00	$0.00
$225,066.62	Printing and translation	GoS	UNDP	$0.00	$29,606.97	$53,091.36	$27,112.64	$115,255.65	$0.00	$0.00
$20,617.51	Training, workshops and conferences	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$4,049.44	$16,568.07	$0.00	$0.00
$203,731.69	Training, workshops and conferences	GoS	UNDP	$20,000.00	$34,366.29	$94,483.63	$23,651.48	$18,839.26	$12,391.03	$0.00
$22,022.64	Travel	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$3,813.30	$18,209.34	$0.00	$0.00
$135,940.84	Travel	GoS	UNDP	$0.00	$24,020.70	$48,036.02	$12,474.87	$38,578.13	$12,831.12	$0.00
$2,038.07	Exchange Rate loss	GoS	Heartefact foundation	$0.00	$0.00	$0.00	$0.00	$2,038.07	$0.00	$0.00
$752.63	Exchange Rate gain/loss	GoS	UAS	$0.00	$253.38	$499.25	$0.00	$0.00	$0.00	$0.00
	MONITORING									
$5,882,039.89	**Sub-Total for Output 4**									
$758,421.46	**OUTPUT 5:** Improved ICT infrastructure to support digital transformation of the public administration	Company contracts	GoS	UNDP	$500.00	$86,406.44	$340,646.57	$2,814.71	$328,053.74	$0.00	$0.00
$194,782.03		Contractual services (individuals)	GoS	UNDP	$38,350.54	$85,376.10	$50,089.37	$0.00	$20,966.02	$0.00	$0.00
$515,623.68	5.1 Supported development of the Government Data Centre/Disaster Recovery Facility	National consultants	GoS	UNDP	$64,816.00	$150,265.81	$250,223.48	$0.00	$50,318.39	$0.00	$0.00
$34,559.53		National consultants	UNDP		$0.00	$0.00	$0.00	$0.00	$34,559.53	$0.00

Category	Budget line	Src	Src	Amt 1	Amt 2	Amt 3	Amt 4	Amt 5	Amt 6	Total
Gender marker:	M&E	GoS	UNDP	$0.00	$0.00	$1,187.53	$0.00	$0.00	$0.00	$1,187.53
	Miscellaneous	GoS	UNDP	$0.00	$0.00	$0.00	$257.86	$0.00	$0.00	$257.86
	Policy advice, backstopping and coordination	GoS	UNDP	$11,446.38	$30,000.00	$2,500.00	$0.00	$15,279.00	$0.00	$59,225.38
	Printing and translation	GoS	UNDP	$0.00	$0.00	$2,079.00	$0.00	$0.00	$0.00	$2,079.00
	Training, workshops and conferences	GoS	UNDP	$0.00	$37,317.89	$52,167.46	$0.00	$0.00	$0.00	$89,485.35
	Travel	GoS	UNDP	$0.00	$7,593.89	$42.00	$0.00	$0.00	$0.00	$7,635.89
MONITORING										
Sub-Total for Output 5										$1,663,257.71
Outcome 6: Improved business environment for the implementation of 4IR technologies	National Consultants	GoS	UNDP	$12,437.25	$87,562.75	$0.00	$0.00	$0.00	$0.00	$100,000.00
	Travel	GoS	UNDP	$0.00	$3,000.00	$0.00	$0.00	$0.00	$0.00	$3,000.00
	Contractual Services - Individuals	GoS	UNDP	$0.00	$45,028.00	$0.00	$0.00	$0.00	$0.00	$45,028.00
6.1 Supported ITE in the establishment of the Center for the Fourth Industrial Revolution in Serbia, as well as the development of 4IR technology governance frameworks	Miscellaneous	GoS	UNDP	$0.00	$2,736.25	$0.00	$0.00	$0.00	$0.00	$2,736.25
	Company contracts	GoS	UNDP	$110,602.35	$1,190,309.10	$0.00	$0.00	$0.00	$0.00	$1,300,911.45
	Training, workshops and conferences	GoS	UNDP	$0.00	$9,061.28	$0.00	$0.00	$0.00	$0.00	$9,061.28
	IT Equipment and Software Licences	GoS	UNDP	$0.00	$11,000.00	$0.00	$0.00	$0.00	$0.00	$11,000.00
	Communications and Media	GoS	UNDP	$0.00	$2,000.00	$0.00	$0.00	$0.00	$0.00	$2,000.00
Gender marker: GEN1	Printing and Translation	GoS	UNDP	$0.00	$5,000.00	$0.00	$0.00	$0.00	$0.00	$5,000.00
	Contractual Services - Individuals	GoS	UNDP	$57,524.22	$31,200.00	$0.00	$0.00	$0.00	$0.00	$88,724.22
	Policy advice, backstopping and coordination	GoS	UNDP	$12,493.57	$46,655.91	$0.00	$0.00	$0.00	$0.00	$59,149.48
Sub-Total for Output 6										$1,626,610.68
Evaluation (as relevant)	EVALUATION	GoS	UNDP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

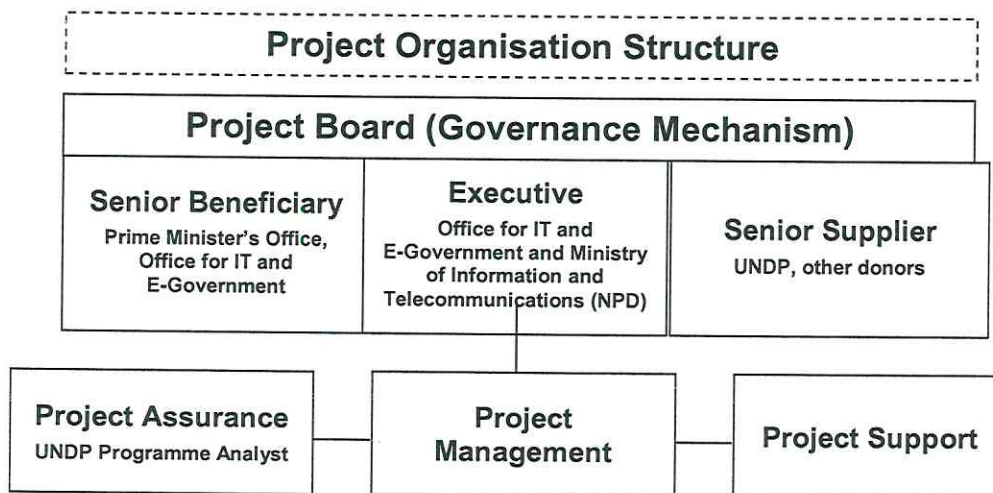| General Management Support							UNDP	GoS, GGF	General Management Support
	$1,876.00	$77,165.89	$124,935.70	$124,116.57	$92,673.22	$117,853.09	$61,497.42		$600,117.89
TOTAL									$16,657,131.58

36

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

A **Project Board** will be formed with representatives of the donors and partner organizations – GGF, UNDP, ITE and the Prime Minister's Office – as illustrated in the diagram below. The Project Board is the group responsible for making management decisions by consensus for a project when guidance is required by the Project Manager, including recommendation for approval of project plans and revisions. Project Board decisions should be made in accordance to standards[15] that shall ensure best value in terms of money, fairness, integrity transparency and effective international competition. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when tolerances (normally in terms of time, budget and quality) have been exceeded and in the event of any necessary revisions to the objectives of the project as well as the budget. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies.

Project Assurance is the responsibility of each Project Board member; however, this role will be delegated to the UNDP program analyst to perform on behalf of the Project Board. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

The **Project Manager role** has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The **Project Support** role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager.

All deliverables produced during the project term, will bear the **logos of the Government, UNDP, or other donors,** depending on the sources of funding, and, where appropriate, the standard **UNDP disclaimer.**

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┌─────────────────────────────────────────────────────────────────┐
│            Project Organisation Structure                       │
└─────────────────────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────────────────────┐
│          Project Board (Governance Mechanism)                   │
├──────────────────────┬──────────────────────┬───────────────────┤
│  Senior Beneficiary  │      Executive       │  Senior Supplier  │
│  Prime Minister's    │   Office for IT and  │  UNDP, other      │
│  Office,             │   E-Government and   │  donors           │
│  Office for IT and   │   Ministry of        │                   │
│  E-Government        │   Information and    │                   │
│                      │   Telecommunications │                   │
│                      │   (NPD)              │                   │
└──────────────────────┴──────────────────────┴───────────────────┘

┌──────────────────────┐  ┌──────────────────┐  ┌──────────────────┐
│  Project Assurance   │  │     Project      │  │  Project Support │
│  UNDP Programme      │  │   Management     │  │                  │
│  Analyst             │  │                  │  │                  │
└──────────────────────┘  └──────────────────┘  └──────────────────┘
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[15] UNDP Financial Rules and Regulations: Chapter E, Regulation 16.05: a) The administration by executing entities or, under the harmonized operational modalities, implementing partners, of resources obtained from or through UNDP shall be carried out under their respective 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. b) Where the financial governance of an executing entity or, under the harmonized operational modalities, implementing partner, does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, that of UNDP shall apply.

IX.   LEGAL CONTEXT

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.

X.   RISK MANAGEMENT

Government Entity (NIM) Implementing Modality

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 the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

   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 the Implementing Partner'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 Implementing Partner's obligations under this Project Document.

3.   The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism, that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list.

4.   The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

(a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary

General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

5.   a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:

    i.   Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

    ii.   Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

    iii.   Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;

    iv.   Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

    v.   Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6.   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).

7.   The Implementing Partner shall: (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.

8.   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.

9.   The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds.

10.   In the implementation of the activities under this Project Document, UNDP places reasonable reliance upon the Implementing Partner for it to apply its laws, regulations and processes, and applicable international laws regarding anti money laundering and countering the financing of terrorism, to ensure consistency with the principles of then in force the UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy.

11.   The Implementing Partner will ensure that its financial management, anti-corruption, anti-fraud and anti money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.

12.   The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner 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.

13.   In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', 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 the Implementing Partner to find a solution.

14. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, credible allegation of fraud or corruption or other financial irregularities with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

15. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud, corruption or other financial irregularity, 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.

15. Each contract issued by the Implementing Partner 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 the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

16. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, 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.

17. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, _mutatis mutandis_, in all sub-contracts or sub-agreements entered into further to this Project Document.

Special Clauses

1.   The schedule of payments and UNDP bank account details:

Tranche #	Amount	Due Date
1	170,000,000.00 RSD	30 November 2017
2	40,000,000.00 RSD	31 January 2018
3	1,711,000.00 USD	10 September 2018
4	1,521,000.00 USD	30 April 2019
5	263,451.05 USD	10 December 2019
6	564,244.92 USD	31 December 2019
7	136,901.20 USD	5 June 2020
8	2,813,705.55 USD	30 November 2020
9	361,806.00 USD	31 May 2021
10	590,468.00 USD	8 November 2021
11	1,675,409.00 USD	31 December 2021
12	922,965.59 USD	31 March 2022
13	1,525,106.80 USD	31 December 2022

UNDP Serbia bank account:

Bank name: Bank of America, 1401 Elm St., Dallas TX 75202 – 2958

Account number: UNDP Representative in Serbia USD Account No. 3752174582

ACH Routing Number: 111000012 [to be used only by US-based banks using ACH payment type]

Wire Routing Number: ABA# 0260 - 0959 - 3

SWIFT Address: BOFAUS3N

2.   The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.

3.   The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

4.   UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.

5.   All financial accounts and statements shall be expressed in United States dollars.

6.   If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.

7.   If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 6 above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

8.   Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

(a) 3% cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

(b) Direct cost for implementation support services (ISS) provided by UNDP and/or an executing entity/implementing partner.

9.   Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

10.   The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP."

XI.   ANNEXES

1. **Project Quality Assurance Report**

2. **Social and Environmental Screening Report**

3. **Risk Log**

4. **Capacity Assessment – HACT**

5. **Project Board TOR**