

# **SOCIAL PROTECTION SYSTEM MODERNIZATION PROJECT (SPSMP)**

## **TECHNICAL ASPECTS OF PROJECT IMPLEMENTATION**

SPSMP Project Launch Event  
Tuhelj, March 16, 2015

# SPSMP objective

- to improve the efficiency and effectiveness of Croatia's social protection system



# SPSMP Key Components

- **Component 1: Improving Efficiency and Effectiveness of the Social Protection System**
  - Euro 50 million
  - Funds disbursed based on achieved results
- 1. Consolidation of benefit administration and simplification of procedures
- 2. Unifying and harmonizing the certification of disability
- 3. Reducing error, fraud and corruption (EFC)
- 4. De-institutionalization of vulnerable children and adults

# SPSMP Key Components

- **Component 2: Investments and Technical Assistance**
  - Euro 19.4 million  
(1.- 4.) and 5. Activation
    - ✓ Goods
    - ✓ Works
    - ✓ Consultants services
    - ✓ Training
- **Component 3: Project Management Support**
  - Euro 0.6 million

# Project Operational Manual (POM)

- developed as an instrument for the proper conduct and successful implementation of the SPSMP
- to provide guidelines, outlines and standards in the organization and management of the Project

# SPSMP organizational structure



# Steering Committee

- steer, direct and coordinate the Project and integrate the project's activities into the economic and overall legal reforms
  - will meet at least once every six months
- 
- ✓ On sessions discuss and decide on fundamental issues connected with implementation of the Project and give opinion and assess the fulfillment of the fundamental objectives of the Project
  - ✓ Provide overall policy guidance in the implementation of the project
  - ✓ Ensure overall compliance with work plans and review quarterly and semiannual reports, and the mid-term review report
  - ✓ Ensure the integration and coordination of the Project with other related projects and initiatives

# Project Implementation Team

## Project Beneficiaries and Activity Coordinators

- ❑ deal with all aspects of project implementation, including operations, management, supervision, procurement, disbursements, social, environmental and financial management, as well as monitoring and evaluation
- ❑ will meet according to the need of Project implementation
- ❑ PBs responsible to nominate a Activity Coordinators (for each activity), who would be the communication point with the PIU and MSPY
- ✓ technical aspects (including TORs drafting, participation in evaluation committees, technical specifications for goods, support in preparation of EMP checklists etc.)
- ✓ managing and supervising consultants' work
- ✓ managing and supervising delivery, installation and maintenance of equipment
- ✓ submitting invoices and payment requests with all required supporting information to the PIU
- ✓ monitoring progress under their components including collection of relevant information on the performance indicators and submitting it to the PIU
- ✓ providing relevant documentation and information to auditor
- ✓ preparing periodic progress reports to the PIU



# Project Implementation Unit (PIU)

- ❑ manage day-to-day Project implementation, focusing on procurement of goods and services in implementation of Project and facilitating all financial operations of the Project
- ❑ PIU members:
  - Project Coordinator
  - Financial Management Officer
  - Procurement Officer
- ✓ undertake responsibility for implementation of Project activities in accordance with the Croatian legislative and regulations, as well as the World Bank Policies and Guidelines
- ✓ keep the business documentation of the Project and all other duties connected to the Project
- ✓ overall responsibility for procurement under the Project

# Project Implementation Unit (PIU)

- **Project Coordinator responsibility**
  - Organize, manage and coordinate the PIU and all activities between parties involved in the project
  - Coordinate and supervise administrative, technical and communication activities necessary for the successful project preparation and implementation
  - Provide assistance to the PBs in all areas related to the project
  - Closely cooperate with all relevant officials in designing and implementing project activities according to project documents
  - Report toward MSPY and WB, as well as other institutions involved
  - Monitor the performance of each component
  - Coordinate and report on environmental management
  - Organize and carry out project auditing

# Project Implementation Unit (PIU)

- **Procurement Officer responsibility**
  - Responsible for the procurement activities carried out under the project, including:
    - ✓ preparation of Terms of Reference
    - ✓ selection and evaluation process
    - ✓ contracting and supervision and monitoring of the contracts
    - ✓ obtaining necessary clearances within the MSPY and World Bank
    - ✓ keeping all procurement related records
  - Prepare procurement reports as a part of PIU reporting process
  - Participate in technical and communication activities

# Project Implementation Unit (PIU)

- **Financial Management Officer responsibility**
  - Handle financial record keeping
  - Maintain financial management system
  - Prepare financial, operational and performance reports
  - Prepare documents for payments for activities financed from the project, verifying accuracy, obtaining signatures, submitting documents for payment
  - Coordinate audit activities
  - Provide assistance to the project beneficiaries in financial management matters, reporting and business planning

# Communication protocol

1. PBs submit draft ToRs, draft TSs, documents and performance reports or other related or relevant documents including legal issues to the PIU
2. PIU reviews them and sends suggestions for improvements, upgrades, corrections and additional explanations to PBs/consultants and WB
3. Upgraded versions of documents and performance reports or other related or relevant documents get accepted by PBs/PIU
4. Approved documents and performance reports or other related or relevant documents are formally sent to MSPY and WB
5. MSPY/PIU reviews them and, in agreement with the WB, possibly requires additional expert reviews and evaluations if necessary
6. PIU checks compliances with WB loan conditions and procedures
7. All unsolved issues and possible disputes are discussed on SPSMP Steering Committee meetings in order to find the best solutions
8. WB is included in all stages in accordance with WB procedures, including document review and no objection

# Procurement

Goods, works, consultants' services, training and operating costs under Component 2 and Component 3 of the Project, will follow the Bank's Guidelines

- “Procurement under of Goods, Works and Non-Consulting Services under IBRD and IDA Credits & Grants by World Bank Borrowers”, dated January 2011 for Goods and Works and Non-consulting services
- “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers”, dated January 2011 for Consultants' Services
- Croatian regulations for Operating Costs
- Provisions in the Loan Agreement and the Procurement Plan

Guidelines, as well as all Bank standard documents may be downloaded at:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,pagePK:84271~theSitePK:84266,00.html>

The authorized persons in the PBs are preparing the Technical Specifications (TS), Bill of Quantities (BoQ) and Term of References (ToR) for the procurement activities that are conducted thorough the SPSMP.

The PIU is assisting the PBs providing technical guidance to their authorized personnel.

# Procurement Plan (PP)

- developed for the first 18 months of the Project
- provides the basis about the particular contracts to be financed under the project, the procurement methods and Bank review procedures
- PIU, in collaboration with PBs will update PP, annually or as required to reflect the actual project implementation needs and improvements in implementation of the Project, in agreement with the Bank



# Financial Management

- Based on the valid Procurement Plan PIU prepares the request for project funding and submits to the MSPY for approval and budgeting as part of overall MSPY's annual budget, approved by the Croatian Parliament
- The plan contains separate figures for the loan funds as well as for the accounts in accordance with the accounting regulations for budget institutions
- Approved project budget is prerequisite for further financial activities



# Financial Management

- ❑ Disbursements of Loan Funds under Component 1
  - will be managed through the reimbursement method only, upon evidence of achievement of the results for 4 main results areas and supported by claims for reimbursement of eligible expenditures
  - evidence of achievement of the DLIs will be confirmed to the World Bank according to the Compliance Protocols established for each DLI
  - the transfer of funds will be done directly from the loan account to the State Treasury Single Account of the GoC in the Euro amount linked to the completed DLI
- ❑ Disbursements of Loan Funds under Component 2 and Component 3
  - in accordance with the procedures described in the valid World Bank's Disbursement Handbook and Disbursement Letter
  - approved by persons from MSPY authorized for signing the disbursement documents, and sent to the WB
  - funds on account can be used only for strictly defined payments in accordance with the WB Agreement and MSPY's written approvals

# SPSMP Monitoring and Evaluation

- Project Monitoring and Evaluation (M&E) is one of the main activities in the project implementation
- The monitoring and evaluation indicators have been developed in consultation with the PBs
- M&E would be the responsibility of the PIT
- Data will be provided by individual PBs
- MSPY will collect and analyze data
- The results of the M&E activities will be fed back into the implementation process as improved practices

# Enviromental Management

- The environmental impacts of the project are expected to be manageable, temporary and of local impact as they are related to the general construction activities on already known and previously used location

## SPSMP PIU members:

Name	Position	Phone No
Teodora Štefković	PIU Coordinator and Procurement Officer	01/555 7172
Tatjana Špoljarić	Financial Management Officer	01/555 7301
Neda Čulo	Procurement Assistant	01/555 7172
Matej Ištuk	Financial Managements Assistant	01/555 7172

Do not hesitate to contact us.  
Looking forward to our future cooperation.

Thank you!