

STANDARD TWINNING PROJECT FICHE

1. Basic Information

- 1.1 Publication notice reference: EuropeAid/ 137-849/IH/ACT/HR
- 1.2 Programme: Transition Facility IPA/2013/24986 (Annex of C(2013) 8057 final)
- 1.3 Twinning Number: HR 14 IB FI 02
- 1.4 Title: System connecting and recommendations for further development of human resources management according to best EU practices (CRO HRM)
- 1.5 Sector: Public Finance - Taxation
- 1.6 Beneficiary country: Republic of Croatia

2. Objectives

- 2.1 Overall objective:

Further enforcement of EU legislation in the field of taxation by further strengthening of Croatian Tax Administration (CTA) Human Resources Management (HRM) and IT functions.

- 2.2 Project purpose:

Support to the realization of the CTA cross sectorial strategies by developing and upgrading HRM Connected System according to the EU requirements provided.

- 2.3 Contribution to Accession Treaty / Relevant National Documents:

Accession Treaty

Following the signature of the Accession Treaty on 9 December 2011 by 27 Member States and the Republic of Croatia and its ratification procedure in the Member States, Croatia joined the European Union (EU) on 1 July 2013. As a Member State, Croatia needs to further enforce laws and regulations of the European Union in the field of taxation. The project is in line with the Article 30 of the Accession Treaty stating that Croatia needs “to develop and strengthen its administrative capacity to implement and enforce Union law and to foster the exchange of best practice among peers. That assistance shall fund institution-building projects and limited small-scale investments ancillary thereto” and also that “assistance shall address the continued need for strengthening institutional capacity in certain areas through action which cannot be financed by the Structural Funds or by the Rural Development funds.”

Strategy of the Tax Administration for the period 2011-2015 (CTA Strategy)

The CTA Strategy recognizes that the quality of Human Resources Management is crucial for quality performance in an organization with a large number of employees and organizational units such as CTA. Thus, one of the identified strategic goals is: *Tax Administration Modernization through Human Resources, Organization, Procedures and Technology*. In order to achieve this goal CTA Strategy puts focus on e-learning system, building of training centre(s) and improvement of the entire IT system.

Human Resources Management Strategy for the period 2010-2015 (HRM Strategy)

One of the objectives of the HRM Strategy is *Improvement of Development and Training System*. HRM Strategy envisages that this objective can be accomplished through, inter alia, establishment of the CTA training centre with highlight on setting up of dislocated classrooms and through establishment of distance learning system (e-learning). Moreover, through objective *Implementation of IT support* the IT support for all human resources processes is highlighted as a prerequisite for continuous improvement of the level of efficiency of human resources management.

Training Strategy of the Tax Administration for the period 2012-2015

Training Strategy builds upon objectives of the abovementioned strategies and aims to improve Human Resource Management and establish a learning organization. Within Training Strategy it is stated that the Tax Administration will use e-learning tools as a supplement to classroom training where and when appropriate and that special attention will be given to the education of current and potential trainers/instructors in order to facilitate efficiency of such blended learning programs and to address possible reservations about the impact of on-line learning.

Through activities of this Twinning project Human Resources Management Connected System will be established and e-learning system enhanced according to the EU requirements, thus achieving the goals from CTA strategies related to further development of the CTA IT systems as well as enhancement of the Human Resources Management within the CTA.

3. Description

3.1 Background and justification:

Croatian Tax Administration has the goal to be one of the best European tax administrations, both in terms of quality services to taxpayers and efficiency in the collection of public revenues. The above can be achieved with competent and qualified employees as well as modern and efficient technical support i.e. informatization of the entire process of human resources management (HRM).

The aim of this Twinning project is to achieve efficient, modern and economical connected system, better communication and information exchange within CTA and with other EU Member States. The more efficient connected system will also enable more efficient education of all CTA employees, regardless of their location.

In order to achieve these goals, strategic and systematic approach to the establishment of connected system between human and technological resources is necessary. The CTA established the Committee for education and training of its employees. The main purpose and task of the Committee is to support HRM in planning, organisation and implementation of all education, particularly in identifying and establishment of training programs for acquiring competencies required for work in the CTA. In addition, it is planned that the Committee will have significant role in the upgrade of the e-learning system taking into consideration the following: projections of future development of HRM in terms of identifying and establishment of required competencies to perform the work, informatization of all HRM processes including process of determining the educational needs, creating the annual training plan and creating individual training plans for each employee.

E-learning system in the CTA was established through World Bank Project RAMP and it is planned that this e-learning system will be further upgraded through this project. Two e-courses were developed within the first stage of the RAMP project (from August 2012 to August 2013), available for all employees: "Anticorruption course" (3.750 employees attended this course so

far) and "E-Porezna course" (914 employees attended this course so far). Moreover, "E-Porezna course" was obligatory for employees who are authorized to work with "E-Porezna" application. Developed e-learning system became not just medium for e-courses but also a platform for exchange of knowledge and information, since it contains forum where employees can share their professional experiences and ask their colleagues job-related questions. Furthermore, "Property tax seminar" materials were made available as well as materials regarding the CTA reorganization. Two surveys were developed: "Education needs" and "Experience of the CTA employees with fiscalization".

Additionally, Annex to the RAMP Contract was signed regarding maintenance of the system, additional training for the CTA IT staff and development of new courses. Based on this annex additional e-courses were developed: "VAT Act changes course" (3.190 employees attended the course), "Occupational Health and Safety and Fire Protection" (course is still ongoing and is obligatory for all employees), "Small Procurement" (36 employees-heads of regional offices attended the course), "IT Security" (2.775 employees attended the course), "Effective Leadership Strategy" for management level (273 employees attended the course) and "Specification of unrelated payments" (1.180 employees attended the course). The last e-course "Enforced collection" was implemented in June 2015 (748 employees attended the course).

Establishment of the e-learning system resulted in increasing the availability of education, standardization of knowledge of all employees and lowering of the overall educational costs.

Through this Twinning project it is planned to further upgrade the e-learning system by increasing the quality of e-learning and developing new e-learning modules. The goal is to create preconditions for adequate implementation of new modules by motivating employees to actively participate in developing and designing of training materials. Research approach, encouraged creativity and presence of feedback, illustrated examples, availability of high-quality training materials, improved communication within the e-learning system and assessment oriented approach will enhance the established e-learning system.

The Training of Trainers (ToT) is planned regarding the new system functionalities and e-connectivity through virtual classrooms and videoconferences, which will contribute to the dynamics of the entire organisation as well as accessibility, uniformity of knowledge, efficiency and economy of implementation of all future trainings. The training is planned for employees responsible for operational managing of classrooms on the regional level, HRM employees in Central office and IT employees in Central office.

This Twinning project will provide support in organizing and conducting a pilot videoconference which is envisaged after procurement and instalment of equipment through the Supply component of the overall project. The procurement of adequate equipment will enable the possibility of videoconference in the central classrooms (Zagreb) as well as dislocated classrooms in different Croatian regions (e.g. Rijeka, Split, Zadar, Dubrovnik, etc.). Implementation of e-learning system through dislocated classrooms will bring important benefits in the process of knowledge management such as: elimination of costs of necessary travel, accommodation and daily allowances of employees who participate in trainings and conferences; recording of trainings, meetings and conferences that can be viewed and presented later on; accessibility of interactive e-learning modules that will enable better understanding of contents due to the different ways of information transfer (visual and auditory). The availability of videoconferencing will also enhance possibilities of future communication of the CTA experts with other EU Member States experts in the taxation field.

Implementation of the e-learning system is under the responsibility of the CTA Division for Human Resources Management, Finances and Legal Affairs. For the purpose of effective implementation of the e-learning system, one employee was nominated in each dislocated classroom to act as a coordinator on the regional level, responsible for organization and implementation of training and for managing the infrastructure needed for conducting training i.e. classroom equipment. Central classroom located in Zagreb is directly managed by the above mentioned Division.

With the purpose of enhancing the overall HRM processes in the CTA, it is envisaged that this Twinning project will analyse and provide recommendations for further development of the HRMIS application, which will be produced through the IPA 2012 Project “Human Resources Management Information System (HRMIS)”.

Moreover, the CTA has determined the need to develop *Working Efficiency Application* that will enable efficient record keeping on the CTA employees’ specific tasks performance and duration. Data from this application will be used for annual evaluation of employees and is supposed to have following elements: planning, tracking tasks performance and evaluation.

This Twinning project is envisaged to produce recommendations for development of *Working Efficiency Application*, while the concrete development of the application is foreseen under the Technical Assistance component of the overall project. In the process of development of the mentioned application, the Twinning project will also perform supervision in order to guide and adjust the application development process and provide recommendations for its further development and implementation.

3.2 Linked activities:

There have been many projects implemented in the CTA with the purpose of improvement of its institutional and administrative capacities. The most relevant activities linked to this Twinning project are as follows:

TRANSITION FACILITY “CTA Human Resources Management (HRM) Connected System”

This overall project, consisting of Technical Assistance, Supply and Twinning project, will provide more efficient, quality and economic implementation of working efficiency management system of the CTA officials, upgrading of e-learning system (introduced through the RAMP project), information exchange with EU Member States Tax Administrations and thus establishing the CTA and Human Resources Management (HRM) of the CTA as a modern connected system.

The Twinning component will start first since it will provide necessary analyses and recommendations for the *Working Efficiency Application* which will be designed, developed and implemented through the Technical Assistance component under supervision of Twinning partners. The Technical Assistance component is currently in the preparation phase and it is envisaged to start after the start of the Twinning project.

Through the Supply component equipment for dislocated classrooms will be purchased and installed, while within the Twinning component e-connectivity and videoconferencing with central location will be established by using the above mentioned equipment and tested through pilot videoconference. Moreover, through the Twinning project e-learning system will be

upgraded, train-the-trainers courses for the installed equipment usage will be implemented and recommendations for the CTA HRM Connected System according to the best EU practices will be provided. The Supply component is currently in the preparation phase and the equipment is envisaged to be procured and installed after the start of the Twinning project.

IPA 2012 "Human Resources Management Information System" (HRMIS)

The purpose of this Technical Assistance project is to establish Human Resources Management Information System (HRMIS) consisting of the following components: 1. Employment Management System, 2. Career Management System (Records System, Competency Model), 3. Education Management System (Trainers Data Base and Mentorship System).

The overall objective of the HRMIS project is strengthening the capacity of the CTA by changing the administrative into the strategic function of human resources management, in order to achieve general goals of the CTA and to ensure a more efficient professional development of the CTA employees and adaptation to EU work standards. The developed HRMIS will be analyzed by the Twinning project and recommendations for possible improvements will be provided.

The envisaged start date of implementation of the HRMIS project is the first quarter of 2016 with the implementation period of 12 months.

IPA 2010 "Supporting the capacity of the CTA for further development of EU information exchange systems"

This Twinning light project (HR/2010/IB/FI/02TL) was implemented from January 2014 to July 2014 with Austria as MS Twinning partner. The purpose of the project was further development of EU information exchange systems through improving relevant procedures, establishing more efficient monitoring and managing system and strengthening capacity of relevant the CTA employees. Project results were as follows:

- Recommendations for further development of EU information exchange systems and further improvement of related business processes (from IT aspect) produced;
- More efficient monitoring and management of EU information exchange systems proposed through preparation of recommendations, design of the Service Desk and development of the Operational Guidelines;
- Monitoring support related to conformance testing and/or transition into production provided;
- Service Level Agreements (SLA) documents with all relevant stakeholders produced;
- Capacity of the CTA officials regarding monitoring and management of EU information exchange systems strengthened.

IPA 2010 "Enhancement of the CTA administrative and institutional capacity in the field of application of VAT EU common system"

The Twinning project (HR/10/IB/FI/01) started in June 2012 and ended in April 2014 with the Netherlands as MS Twinning partner. The purpose of the project was to strengthen the administrative and organizational capacities of the CTA in order to provide successful implementation of VAT regulations concerning EU common market. The project results included:

- Recommendations for further alignment of national VAT legislation with EU legislation in the field of EU VAT common system prepared;
- Working processes and procedures in relation to the new VAT legislation (based on Council Directive 2008/8/EC and Council Directive 2008/9/EC) improved;
- Recommendations for improvement of efficiency of VIES system and procedures connected with VIES system elaborated and presented to the CTA senior management;
- CTA organizational structure in relation to VAT related tasks analyzed and recommendations for organizational changes prepared and presented to the CTA senior management;
- Capacity of the CTA in the field of VAT legislation, working processes and procedures in relation to the EU VAT common system enhanced through targeted training;
- Communication and education strategy for taxpayers regarding VAT procedures on EU common market developed and educational materials for taxpayers prepared and disseminated.

IPA 2010 FFRAC “Strengthening the administrative capacity of the CTA on mutual cooperation in the field of taxation”

This Twinning light project (HR/2010/IB/FI/01TL) started in October 2012 and ended in April 2013 with Austria as MS Twinning partner. The purpose of the project was to strengthen the administrative capacity of the CTA in order to successfully prepare Central Liaison Office (CLO) staff for implementation of tasks concerning the administrative cooperation and mutual assistance in the field of taxation. Results achieved by this project included:

- New legal acts and/or amendments to the existing national legislation which regulate administrative cooperation in the field of taxation drafted;
- Guidelines regarding procedures and working processes in CLO in accordance with the EU legislation and best practices updated;
- Existing Training Manual and Training Program that are related to administrative cooperation in the field of taxation adjusted and updated;
- Tax Administration officials trained and educated on administrative cooperation in the field of taxation through training of trainers and training courses.

Revenue Administration Modernization Project (RAMP)

Revenue Administration Modernization Project (RAMP), co-funded by the World Bank loan, started in January 2008 and finished in June 2016.

Project Components are:

- Organizational consolidation and functional realignment of the CTA tax offices, including physical facilities
- Knowledge and professional upgrading of tax officials and stakeholders; capacity building through training.
- Technological upgrading for services, management information system and TIN implementation support; Business Process Reengineering and IT Strategy to effectively increase tax compliance rate and to reduce tax compliance cost.

The e-learning system introduced and established within the RAMP Project will be upgraded through this Transition Facility Twinning project.

3.3 Results:

1. Recommendations for further development of HRMIS and recommendations for development of *Working Efficiency Application* prepared

Indicators of achievement:

- Human Resources Management Information System (HRMIS) analysed and analysis report prepared
- Working processes related to human resources management relevant for development of *Working Efficiency Application* analysed and analysis report prepared
- Recommendations for further development of HRMIS and recommendations for development of *Working Efficiency Application* prepared

2. Supervision of development of *Working Efficiency Application* performed

Indicators of achievement:

- Supervision of development of *Working Efficiency Application* performed and supervision reports prepared
- Upon the end of supervision, final recommendations for future development and implementation of *Working Efficiency Application* prepared

3. Recommendations for further development of the e-learning system prepared and the e-learning system upgraded

Indicators of achievement:

- Gaps and needs analysis of the current e-learning system conducted and corresponding report prepared
- Recommendations for further development of the e-learning system prepared and presented to the CTA management (including the CTA HR management)
- E-learning system upgraded

4. Capacities of the CTA HRM Division in cross-linking with the other CTA organizational units strengthened, resulting in more efficient HRM

Indicators of achievement:

- Training of Trainers (ToT) for employees from the CTA HRM Division and other CTA organizational units (at least 8 employees)
- E-connectivity with central location for performing videoconferences and interactive meetings established and information exchange with EU Member States Tax Administrations enabled
- Recommendations for further development of the CTA HRM in line with EU standards and the best EU practices prepared

3.4 Activities:

The activities listed below represent the minimum activities to be implemented in the course of the Twinning project. Member State(s) may propose additional activities in line with the methodology elaborated in its proposal.

- 1.1. Conducting analysis of Human Resources Management Information System (HRMIS) and preparing analysis report¹
- 1.2. Conducting analysis of working processes related to human resources management relevant for development of *Working Efficiency Application* and preparing analysis report²
- 1.3. Preparing recommendations for further development of HRMIS and recommendations for development of *Working Efficiency Application*

- 2.1. Performing supervision of development of *Working Efficiency Application* and preparing supervision reports
- 2.2. Upon the end of supervision, preparing final recommendations for future development and implementation of *Working Efficiency Application*

- 3.1. Conducting gaps and needs analysis of the current e-learning system and preparing corresponding report³
- 3.2. Preparing recommendations for further development of the e-learning system according to the best EU practices and presenting the developed recommendations to the CTA management (including the CTA HR management)
- 3.3. Upgrading the e-learning system

- 4.1. Organizing and conducting ToT for employees from the CTA HRM Division and other CTA organizational units⁴ (at least 8 employees) on HR connected system (e.g. usage of the equipment, management of the e-learning system)
- 4.2. Establishing e-connectivity with central location for performing videoconferences and interactive meetings and enabling information exchange with EU Member States Tax Administrations through:⁵
 - Conducting a pilot video conference (short presentation) for higher management between classrooms in central and dislocated locations
 - Conducting pilot e-training of the employees on the regional level related to management of the e-learning system and use of the installed equipment
 - Conducting evaluation of the pilot e-training and preparing recommendations for future use and coordination of the e-learning system
- 4.3. Preparing recommendations for further development of the CTA HRM in line with EU standards and the best EU practices

Minimum two visibility events will be organized in the course of the implementation of the project; Kick-off meeting at the start of the implementation and the Final meeting at the end of the implementation of the project activities.

3.5 Means/ Input from the MS Partner Administration:

¹ Human Resources Management Information System (HRMIS)¹ will be developed through IPA 2012 Technical assistance project "Human Resources Management Information System (HRMIS)".

² *Working Efficiency Application* will be developed under the Technical Assistance component of the overall project.

³ E-learning system was introduced in the scope of the RAMP project.

⁴ E.g. employees responsible for operational managing of dislocated classrooms and IT Division.

⁵ Equipment for establishment of e-connectivity will be procured under the Supply component of the overall project.

MS Project Leader may participate in the project also as the short-term expert (STE) and in this case the MS Project Leader should satisfy requirements stipulated in the fiche for both the Project Leader and the relevant STE profile.

3.5.1 Profile and tasks of the Project Leader

Profile of the Project Leader

Requirements:

- University level education or equivalent professional experience of 10 years in public administration
- Minimum 4 years of experience in a taxation service of an EU Member State
- High ranking official
- Working level of English language
- Computer literacy
- Proven contractual relation to public administration or mandated body, as defined under Twinning Manual 5.4.5
- Experience in project management

Assets:

- Experience in EU funded projects
- Experience in the field of human resources

Tasks of the Project Leader:

- Overall coordination and co-managing the implementation of the project in cooperation with the BC Project Leader
- Ensuring sound implementation of the envisaged activities and, if necessary, proposing remedial actions
- Coordinating the MS experts' work and availability
- Ensuring backstopping and financial management of the project in the MS
- Providing efficient leadership of the project
- Participation in Steering Committee meetings
- Project reporting

3.5.2 Profile and tasks of the RTA

Profile of the Resident Twinning Adviser

Requirements:

- University level education or equivalent professional experience of 10 years in public or business administration
- Minimum 3 years of experience in a taxation service of an EU Member State
- Proven contractual relation to public administration or mandated body as defined under Twinning Manual 5.4.5
- Experience in project management
- Working level of English language
- Computer literacy

Assets:

- Contemporary experience in development of an IT application for a taxation service
- Experience in business process analysis
- Experience in the field of human resources
- Experience in implementation of e-learning
- Experience in organizing trainings

Tasks of Resident Twinning Adviser:

- Support and coordination of all activities in the BC
- Day to day management of the project in the beneficiary institution
- Coordination of the short-term experts activities
- Monitoring project implementation and proposing corrective actions, if required
- Organization of visibility events (kick-off and final event)
- Providing technical advice on EU policies and the best EU practices, and assisting Croatian administration in the context of project work plan
- Executing administrative issues (e.g. assisting in reporting)
- Organization of PIU and Steering Committee meetings
- Networking with stakeholders of the project in Croatia and in MS

The duration of the RTA secondment is 12 months.

3.5.3 Profile and tasks of the short-term experts

For each of the proposed experts in the submitted proposal the Member State(s) is kindly requested to indicate the expert's profile.

Profile of the Short-term expert 1 (STE 1)

Requirements:

- University level education or equivalent professional experience of 8 years in the field of human resources
- Minimum 3 years of experience in the field of human resources
- Working level of English language
- Computer literacy
- Proven contractual relation to public administration or mandated body, as defined under Twinning Manual 5.4.5

Assets:

- Experience in a taxation service of an EU Member State
- Experience in business process analysis
- Experience in conducting trainings
- Experience in implementation of e-learning

Tasks of the Short-term expert 1:

- Close cooperation with the Croatian experts in undertaking all activities
- Advance preparation and familiarization with relevant documentation
- Conducting gaps and needs analysis of e-learning system and preparing corresponding reports and recommendations
- Organizing and conducting training of trainers

- Participating in establishing of e-connectivity for performing videoconferences and interactive meetings and implementation of pilot videoconference
- Conducting pilot e-training and its evaluation and preparing corresponding recommendations
- Participating in other relevant activities as determined during the project implementation

Profile of the Short-term expert 2 (STE 2)

Requirements:

- University level education or equivalent professional experience of 8 years in the field of IT
- Minimum 3 years of experience in IT applications development
- Working level of English language
- Computer literacy
- Proven contractual relation to public administration or mandated body, as defined under Twinning Manual 5.4.5

Assets:

- Contemporary experience in development of an IT application for a taxation service
- Experience in business process analysis
- Experience in conducting trainings
- Experience in establishing of e-connectivity for videoconferences or interactive meetings

Tasks of the Short-term expert 2:

- Close cooperation with the Croatian experts in undertaking all activities
- Advance preparation and familiarization with relevant documentation
- Conducting analysis of HRMIS and analysis of working processes related to human resources management relevant for development of *Working Efficiency Application* and preparing corresponding reports and recommendations
- Performing supervision of development of *Working Efficiency Application* and preparing supervision reports
- Preparing final recommendations for future development and implementation of *Working Efficiency Application*
- Establishing of e-connectivity for performing videoconferences and interactive meetings
- Providing support in implementing pilot videoconference and pilot e-training
- Participating in other relevant activities as determined during the project implementation

Note:

The pool of experts should include:

- At least one short-term expert who in addition to the respective profile requirements has experience in business process analysis.
- At least one short-term expert who in addition to the respective profile requirements has experience in implementation of e-learning.

4. Institutional Framework

Ministry of Finance – Croatian Tax Administration (CTA) is the main beneficiary of this project. Based on new organizational structure (from 1 January 2015), the CTA comprises the Central Office, Large Taxpayers Office, 6 Regional Offices and 57 Local Offices. The CTA is managed by the Director General with support from a deputy and assistants. It has 4263 employees in total.

Central Office is responsible for execution of tax policy, determination of standards and organisation of the implementation of regulations. The Regional Offices are in charge of organizing immediate determination, monitoring and collection of taxes. They are also responsible for direct implementation of regulations regarding external audit, offence procedure and enforced collection of taxes. Local Offices are responsible for implementation of defined tax liabilities, monitoring and collection of taxes.

In Central Office there are 6 Divisions and one of them is Human Resources Management, Finances and Legal Affairs Division (HRM Division), which will be directly involved in this project. HRM Division has in total 66 employees. HRM Division is divided in 6 departments, out of which 2 will participate in the project activities: Personnel Department with 14 employees and HRM Development and Training Department with 8.

The CTA IT Division currently employs 48 persons and is divided in 7 departments. It will be also directly involved in implementation of relevant activities envisaged under this project.

The CTA Department for European Affairs and International Cooperation has 15 employees. It will contribute to adequate coordination and organization of the project which entails international cooperation.

Implementation of this project as well as the results of the project will not influence the change of the CTA organizational structure or its institutional framework as described. Also, possible changes in the CTA organizational structure will not influence implementation of this project. The CTA ownership of the project is clearly defined. The CTA will be responsible for coordination of the Croatian stakeholders relevant for implementation of this project.

The beneficiary institution will dedicate all necessary human and financial resources in order to guarantee an effective implementation of the respective project. In particular, the beneficiary institution will insure the availability of the following provisions:

- Adequately equipped office space for the RTA and the RTA assistant for the entire duration of their secondment (in particular a desk, a telephone line, PC with e-mail account and internet access, possibility to use fax & copy services);
- Adequate conditions for the STEs to perform their work while on mission to the BC;
- Training and conference venues as well as presentation and interpretation equipment;
- Costs for travel by BC participants from their capitals to a MS or between MS (study visits);
- Its active involvement in preparation of the PIU and Steering Committee meetings and participation of its members on the same;
- The availability of the BC human resources (BC experts) during the implementation of the activities.

5. Budget

System connecting and recommendations for further	Transition Facility Contribution	National Co-financing	TOTAL
---	----------------------------------	-----------------------	-------

development of human resources management according to best EU practices (CRO HRM)			
Twinning Contract	95% 418.000,00 EUR	5 % 22.000,00 EUR	440.000,00 EUR

The total amounts of the Transition Facility Contribution and National Co-financing stipulated in the above table represent the total maximum amounts and therefore, they may be reduced at the level of the Twinning contract, while the relevant ratio (percentages) should be maintained as fixed.

The co-financing requirement foreseen under Transition Facility will be considered fulfilled according to the provision of the relevant Financing Decision.

Interpretation costs will be reimbursed from the budget only for the purpose of workshops and seminars, up to 7% of the Contract amount can be used for translation and interpretation purposes.

6. Implementation Arrangements

6.1 Implementing Agency responsible for tendering, contracting and accounting:

Central Finance and Contracting Agency (CFCA)
Ulica grada Vukovara 284, Objekt C
10000 Zagreb, Croatia
Ms Nataša Mikuš Žigman, Director
Phone: +385 1 6042 400
Fax: +385 1 6042 598
E-mail: procurement@safu.hr

Twinning Administrative Office
Central Finance and Contracting Agency
Ulica grada Vukovara 284, Objekt C
10000 Zagreb, Croatia
Ms Nirvana Sokolovski, Twinning NCP
Phone: +385 1 6042 400
Fax: +385 1 6042 598
E-mail: twinning@safu.hr

6.2 Main counterpart in the BC:

Senior Programme Officer (SPO)
Ms Vladimira Ivandić
Head of Sector for EU
Ministry of Finance
Katančićeva 5
10000 Zagreb, Croatia
Phone: + 385 1 4591 258
Fax: + 385 1 4922 598
E-mail: vladimira.ivandic@mfin.hr

Project Leader Counterpart

Ms Martina Ciglević

Assistant CTA Director General

Head of Human Resources Management, Finances and Legal Affairs Division

Ministry of Finance - Croatian Tax Administration

Boškovićeva 5

10000 Zagreb, Croatia

RTA counterpart:

Ms Antonija Kresonja

Senior Advisor of HR Development and Training Department

Ministry of Finance - Croatian Tax Administration

Boškovićeva 5

10000 Zagreb, Croatia

6.3 Contracts:

It is envisaged that this Project will be implemented through one Twinning contract with the maximum amount of 440.000,00 EUR.

7. Implementation Schedule (indicative)

7.1 Launching of the call for proposals: 1Q 2016⁶

7.2 Start of project activities: 4Q 2016

7.3 Project completion: 4Q 2017

7.4 Duration of the execution period (number of months): 15 months; the execution period will end 3 months after the implementation period of the Action (work plan), which will take 12 months.

8. Sustainability

Within this project Human Resources Management Information System (HRMIS) and working processes related to the HRMIS and future *Working Efficiency Application* will be analysed. Based on the analyses recommendations will be prepared for further development of HRMIS and development of *Working Efficiency Application*. Twinning project will also provide supervision of development of *Working Efficiency Application* and upon the end of supervision, deliver additional, final recommendations for future development and implementation of *Working Efficiency Application* thus providing basis for future easier maintenance and further development/upgrades of the application if needed.

Moreover, future development of the CTA Human Resources Management Connected System will be enhanced through activities related to the further development of e-learning system (gaps and needs analysis and development of new e-learning modules). Recommendations prepared related to further development of the e-learning system will be presented to the CTA management in order to achieve sustainability.

⁶ Member States submitting proposals for Twinning projects implemented in Croatia, as well as the beneficiary institutions, will be requested to finalise drafting of the contracts in maximum four months regardless of the period of the year during which the drafting will take place.

Finally, capacities of the CTA HRM Division in cross-linking with other CTA organizational units will be strengthened through training of trainers for the HRM Division and IT Division employees related to the HR connected system. After establishing e-connectivity of dislocated classrooms and central location, pilot e-training of regional coordinators will be conducted. Regional coordinators will further disseminate the acquired knowledge to other CTA employees. The e-training will be evaluated and recommendations for future use and coordination of the e-learning system will be prepared. Through capacity building activities project will assure more economic and effective planning and organizing of training activities in the future, thus contributing to greater training performance, higher level of motivation and satisfaction of the CTA officials and consequently taxpayers.

9. Crosscutting issues

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Equal participation of men and women during the implementation of the project will be assured.

Environmental impact of the project is not applicable.

10. Conditionality and sequencing

a) Conditionality

n/a

b) Sequencing

- Given the complexity of the overall project “CTA Human Resources Management (HRM) Connected System” that is divided into three components (Twinning, Technical Assistance and Supply) the Twinning component is envisaged to start first since it will provide necessary analyses and recommendations for the *Working Efficiency Application* which will be designed, developed and implemented through the Technical Assistance component under supervision of Twinning partners.

Through the Supply component equipment for dislocated classrooms will be purchased and installed, while within the Twinning component e-connectivity and videoconferencing with central location will be established by using the above mentioned equipment. Moreover, through the Twinning component the e-learning system will be upgraded, train-the-trainers courses for the installed equipment usage will be implemented and recommendations for the CTA HRM Connected System according to the best EU practices will be provided.

- This Twinning project is also connected to the IPA 2012 Technical Assistance project "Human Resources Management Information System" (HRMIS) since the Twinning project is envisaged to conduct analysis and provide recommendations for further upgrade of the HRMIS which will be developed through the above mentioned IPA 2012 Technical Assistance project.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

Annex 1. Logical framework matrix in standard format

System connecting and recommendations for further development of human resources management according to best EU practices (CRO HRM)		Programme name and number: Transition Facility IPA/2013/24986 (Annex of C(2013) 8057 final)	
Ministry of Finance - Croatian Tax Administration (CTA)		Contracting period expires: 3 years from the day on which the Commission notifies the Republic of Croatia that all of its internal procedures necessary for the adoption of this Decision have been fulfilled	Disbursement period expires: 4 years following the expiration of the contracting deadline
		Total budget: 440.000,00 EUR	Transition Facility financing: 418.000,00 EUR(95%) National co-financing: 22.000,00 EUR (5%) ⁷
Overall objective	Objectively Verifiable Indicators	Sources of Verification	
Further enforcement of EU legislation in the field of taxation by further strengthening of Croatian Tax Administration (CTA) Human Resources Management (HRM) and IT functions.	Capability of the CTA to fulfill all EU requirements strengthened Number of education days per CTA employee increased Higher degree of satisfaction of taxpayers achieved	<ul style="list-style-type: none"> • Annual Peer Base Missions report • Relevant EC reports • Relevant national reports • CTA statistical reports • Ministry of Finance annual reports 	
Project purpose	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Support to the realization of the CTA cross sectorial strategies by developing and upgrading HRM Connected System according to the EU requirements provided.	<ul style="list-style-type: none"> • More economic, effective and quality planning, organizing and training performance of HRM System • E-learning modules upgraded • Exchange of information with EU Member States Tax Administrations 	<ul style="list-style-type: none"> • Twinning project reports • Twinning project documentation (analysis, reports, recommendations, etc.) • Supervisory reports • E-learning modules 	<ul style="list-style-type: none"> • Support by the CTA highest management • Good cross-sectorial coordination • Effective donor coordination • Adequate communication between CTA IT Sector and the main project stakeholder APIS IT, which is the CTA IT outsourcing partner

⁷ The total amounts of the Transition Facility Contribution and National Co-financing stipulated in the above table represent the total maximum amounts and therefore, they may be reduced at the level of the Twinning contract, while the relevant ratio (percentages) should be maintained as fixed. The co-financing requirement foreseen under Transition Facility will be considered fulfilled according to the provision of the relevant Financing Decision.

	<p>enabled</p> <ul style="list-style-type: none"> • Capacities of the CTM HRM Division in cross-linking with other CTA organizational units strengthened, resulting in more efficient HRM • Prerequisites for further development of the CTA HRM sector achieved 	<ul style="list-style-type: none"> • Training programme and materials • E-connectivity with central location • List of participants on training of trainers • List of participants on pilot e-training • Training evaluation reports 	<ul style="list-style-type: none"> • Adequate cooperation among relevant CTA organizational units and other stakeholders • Adequate BC experts appointed to participate in workgroups established • Timely start and successful implementation of the IPA 2012 Technical Assistance project "Human Resources Management Information System (HRMIS)" • Successful finalization of the RAMP project • Adequate coordination with the Supply and Technical assistance components of the overall project
Results	Objectively Verifiable Indicators	Sources of Verification	Assumptions
<p>1. Recommendations for further development of HRMIS and recommendations for development of Working Efficiency Application prepared</p> <p>2. Supervision of development of Working Efficiency Application performed</p> <p>3. Recommendations for further development of the e-learning system prepared and the e-learning system</p>	<ul style="list-style-type: none"> • Human Resources Management Information System (HRMIS) analysed and analysis report prepared • Working processes related to human resources management relevant for development of Working Efficiency Application analysed and analysis report prepared • Recommendations for further development of HRMIS and recommendations for development of Working Efficiency Application prepared • Supervision of development of Working Efficiency Application performed and supervision reports prepared • Upon the end of supervision, final recommendations for future development and implementation of Working Efficiency Application prepared • Gaps and needs analysis of the current e-learning system conducted and corresponding report prepared • Recommendations for further 	<ul style="list-style-type: none"> • Twinning project reports • Twinning project documentation (analysis, reports, recommendations, etc.) • Supervisory reports • E-learning modules • Training programme and materials • E-connectivity with central location • List of participants on training of trainers • List of participants on pilot e-training • Training evaluation reports 	<ul style="list-style-type: none"> • Support by the CTA highest management • Good cross-sectorial coordination • Effective donor coordination • Adequate communication between CTA IT Sector and the main project stakeholder APIS IT (CTA IT outsourcing partner) • Adequate cooperation among relevant CTA organizational units and other stakeholders • Adequate BC experts appointed to participate in workgroups established • Timely start and successful implementation of the IPA 2012 Technical Assistance project "Human Resources Management Information System (HRMIS)" • Successful finalization of the RAMP project • Adequate coordination with the Supply and Technical assistance components of the overall project

<p>upgraded</p> <p>4. Capacities of the CTA HRM Division in cross-linking with the other CTA organizational units strengthened, resulting in more efficient HRM</p>	<p>development of the e-learning system prepared and presented to the CTA management (including the CTA HR management)</p> <ul style="list-style-type: none"> • E-learning system upgraded • Training of Trainers (ToT) for employees from the CTA HRM Division and other CTA organizational units (at least 8 employees) • E-connectivity with central location for performing videoconferences and interactive meetings established and information exchange with EU Member States Tax Administrations enabled • Recommendations for further development of the CTA HRM in line with EU standards and the best EU practices prepared 		
Activities	Means	Specification of costs	Assumptions
<p>The activities listed below represent the minimum activities to be implemented in the course of the Twinning project. Member State(s) may propose additional activities in line with the methodology elaborated in its proposal.</p> <p>1.1. Conducting analysis of Human Resources Management Information System (HRMIS) and preparing analysis report</p> <p>1.2. Conducting analysis of working processes related to human resources management relevant for development of Working Efficiency Application and preparing analysis report</p> <p>1.3. Preparing recommendations for further development of HRMIS and recommendations for development of</p>	<p>Consultation, analysis, preparation of documentation, presentation, seminar, workshop, supervision, monitoring, training of trainers, pilot videoconference, pilot e-training, evaluation</p>	<p>Twinning Contract: 440.000 EUR</p>	<p>In line with the assumptions specified for results.</p>

<p>Working Efficiency Application</p> <p>2.1. Performing supervision of development of Working Efficiency Application and preparing supervision reports</p> <p>2.2. Upon the end of supervision, preparing final recommendations for future development and implementation of Working Efficiency Application</p> <p>3.1. Conducting gaps and needs analysis of the current e-learning system and preparing corresponding report</p> <p>3.2. Preparing recommendations for further development of the e-learning system according to the best EU practices and presenting the developed recommendations to the CTA management (including the CTA HR management)</p> <p>3.3. Upgrading the e-learning system</p> <p>4.1. Organizing and conducting ToT for employees from the CTA HRM Division and other CTA organizational units (at least 8 employees) on HR connected system (e.g. usage of the equipment, management of the e-learning system)</p> <p>4.2. Establishing e-connectivity with central location for performing videoconferences and interactive meetings and enabling information exchange with EU Member States Tax Administrations through:</p> <ul style="list-style-type: none"> - Conducting a pilot video conference (short presentation) for higher management between classrooms in central and dislocated locations 			
--	--	--	--

<ul style="list-style-type: none"> - Conducting pilot e-training of the employees on the regional level related to management of the e-learning system and use of the installed equipment - Conducting evaluation of the pilot e-training and preparing recommendations for future use and coordination of the e-learning system <p>4.3. Preparing recommendations for further development of the CTA HRM in line with EU standards and the best EU practices</p>			
			<p>Preconditions:</p> <p>n/a</p>

Annex 2. Detailed implementation chart

System connecting and recommendations for further development of human resources management according to best EU practices (CRO HRM)	2016												2017										2018		
Month	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	
Twinning	T	T	T	T	C	C	C	C	C	A/I	I	I	I	I	I	I	I	I	I	I	I	I	R	R	R

T – Call for proposals and evaluation

C – Contracting

A/I – Arrival of the RTA/ Start of the implementation of activities

I – Implementation of activities

R – Report

Annex 3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

System connecting and recommendations for further development of human resources management according to best EU practices (CRO HRM)	Cumulative contracting schedule by quarters in EUR (provisional)			
	2016			
	I	II	III	IV
Twinning				440.000,00
TOTAL (EUR):				440.000,00

System connecting and recommendations for further development of human resources management according to best EU practices (CRO HRM)	2016				2017				2018
	I	II	III	IV	I	II	III	IV	I
	Twinning				343.414,63				
TOTAL (EUR):				343.414,63					440.000,00