



TWINNING FICHE

Project title: Strengthening of the capacities of the Postal Agency

Beneficiary administration: Postal Agency in *The Beneficiary Country*¹

Twinning Reference: MK 14 IPA OT 01 18

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EU funded project

TWINNING INSTRUMENT

¹ As per Financing Agreement concerning the IPA II 2014 Annual Action Programme - entered into force on 23 December 2015.

1 Basic Information

1.1 Programme: European Union Integration facility 2014 - Commission Implementing Decision of 17.12.2014 C(2014)9847 final, Dec.no. IPA 2014/037701

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article 12.2 of the General Conditions to the grant agreement.

1.2 Twinning Sector: OT- Postal Services

1.3 EU funded budget: 600.000 EUR

2 Objectives

2.1 Overall Objective(s):

The overall objective is strengthening of the Postal Agency's capacities in line with the requirements deriving from the national legislation, as well as EU's Postal Directive. Furthermore, the project is expected to contribute to better quality of postal services provided by the postal operators in the country, as well as to provide the basis for the Ministry of Transport and Communications to prepare and adopt a new Strategy for development of the postal sector.

2.2 Specific objectives:

The specific objectives of the Twinning project are to improve and strengthen the administrative and regulatory capacity of the Postal Agency in the following areas:

- Creation of policy papers and procedures;
- Improvement of capacities for specific market analysis;
- Determining adequate separate accounting and cost allocation system, net cost calculation model of the universal service and price policy model in order to observe the legal provisions;
- Inspection mandate;
- Establishing criteria and legislative provisions for standardized private letter boxes according to MKD EN 13724:2016.

2.3 Contribution to the National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

The Stabilisation and Association Agreement envisages a common market, including the postal market, by free movement of work force and free provision of services, thus foreseeing abolishing all state monopolies and establishing liberalized postal market in the country (postal services gradually being opened up to competition).

Furthermore, the European Commission 2016 Country Report (issued on 09 November 2016) notes that "The Postal Agency still needs to establish a separate accounting system and to further strengthen its monitoring capacity. Shortcomings remain with regard to the financing of the net costs of the universal service obligation".

The 2010 Law on Postal Services is aligned with the Postal Directives, as one of the requirements in the process of accession of the country to the EU.

Furthermore, objectives stipulated with the Law on Postal Services are:

- provision of postal services, provision of universal service on the entire territory of the country;
- establishing a manner of financing the universal service for its continuous provision;
- establishing quality standards for the provision of universal service and establishing a system for the application of those standards;
- protection of the interests of postal service users;
- enabling competition in the area of postal services according to objective, transparent and non-discriminatory conditions, in a gradual and controlled manner in order to ensure the provision of universal service;
- postal services price formation on the basis of objective, transparent and non-discriminatory principles.

3 Description

3.1 Background and justification:

The Government 2007 Strategy on Development of Postal Services in the BC envisages establishing an independent regulatory authority in the area of postal services. Thus, the Postal Agency, as national regulatory authority (NRA), was established in July 2008, as a non-profit and self-financing legal entity. The Agency provides observance of the obligations deriving from the European Union directives and the Universal Postal Union acts. While performing matters from within its area of competence, the Agency provides conditions for continuous, regular and unobstructed provision of universal services, enables equal access to the universal services for users regarding choice, price and quality, encourages access to the postal network, promotes and protects the competition within the field of postal services and enables opening of the market in order to create a single postal service market.

The new Postal Act from 2010 (it replaced the old Postal Act from 2008) was aligned with the First and Second Postal Directive, and furthermore it envisaged a deadline for full opening of the postal market (originally 01.01.2012). With amendments of the Law in 2014 and in 2016, the liberalization has been postponed until 31.12.2018.

The European Commission 2016 Progress Country Report noted that "some progress was made during the reporting period, particularly with regards to the continued arrangements for the market liberalisation of the postal services." However, country is expected to "ensure that the liberalisation of the universal postal service is completed."

The Postal Agency has two bodies: the Director and the Commission. The Commission, whose members are not employed in the Agency, consists of five members, appointed and dismissed by the Parliament. The Postal Agency has 15 employees, excluding the Director of the Agency. Four of the employees are also authorized for performing supervision on the postal service market, i.e. the postal service providers. The Agency has six directorates, with a head of the directorate itself and employees in the same. The directorates are the following:

1. Directorate for coordination of the director's work and of the Agency's Commission work (1 employee), 2. Directorate for financing, accounting and economic issues in the postal area (3 employees), 3. Directorate for regulation, licensing and legal affairs (6 employees), 4. Directorate for protection of users' rights and public relations (2 employees), 5. Directorate for market analysis (2 employees) and 6. Directorate for postal networks and international cooperation (1 employee) (Annex 1: Postal Agency's organogram)

Since 2016, the employees of the Postal Agency obtained a status of administrative servants, i.e. their status, rights and obligations concerning labour relations fall under the provisions of the Law on Administrative Servants.

There are 34 active postal service providers in the postal service market. Since the Postal Services Act foresees monopoly to universal postal services for postal items with the weight limit of 50 grams, the public operator *Macedonian Post* (MP) still has a dominant position on the market.

In the Law on Postal Services the following articles provide the framework of the Twinning project's activities and are subject of Agency's interest to further increase the knowledge and expertise for their appropriate implementation:

* Articles 32, 33, 34 and 35 – net costs.

- Article 51 – separate accounting
- Article 50 – universal service prices
- Articles 73, 74, 75, 76, 77, 78 and 79 – monitoring of the postal market and postal service providers²

The Twinning project is expected to improve the administrative and regulatory capacity of the Postal Agency in ensuring provision of the universal service, the quality of the service, the universal service accessibility. Improved capacities of the employees in the Agency are also expected regarding creation of procedures and policy papers, adequate separate accounting and cost allocation system, net cost calculation model and price policy model, as well as strengthening the inspection capacities of the Postal Agency.

During the project implementation, standardization criteria of EN 13724 for standardized private letter boxes is expected to be initiated, thus demonstrating the benefits of improved postal services – customers to receive a quality and timely service.

3.2 Ongoing reforms:

The Digital Single Market Strategy (DSMS) of the European Union aims to open up digital opportunities for people and businesses, thus contributing to the economic growth. Unlocking e-commerce potential, affordable parcel delivery costs, tackling geo-blocking, simplifying VAT arrangements, etc. are part of EU measures initiated to offer more opportunities for citizens and businesses across the EU. Therefore, postal services are an integral part of the economy and their effective services can greatly support the growth of e-commerce.

The BC still needs to prepare a Long-Term ICT Strategy. Recently mandated National ICT Council is responsible entity for the creation and monitoring of ICT Strategy activities. A new Strategy for development of postal services still needs to be prepared by the Ministry of Transport and Communications (the previous Strategy covered the period 2007- 2010).

The European Commission 2016 Progress Country Report noted that "some progress was made during the reporting period, particularly with regards to the continued arrangements for

² The Law on postal services

the market liberalisation of the postal services." However, country is expected to "ensure that the liberalisation of the universal postal service is completed." Currently, the *Macedonian Post* (MP) holds the reserved rights for delivery of the universal service. Improved service quality, creation of new business strategies for a fully open market still need to be created.

. Priorities of the Postal Agency are the conditions of the expected liberalization of the postal market, as a foremost reform in the postal sector, as well as promotion and preserving the functioning of the liberalized postal market, in line with the Directive 2008/6/EC.

3.3 Linked activities:

TAIEX missions in which the PA participated are given below:

Expert Mission on the Law on Postal Services [INFRA IND/EXP 42349 / 19.07.2010 - 23.07.2010]

-The aim of the expert mission was to assist in the alignment of the Law on Postal services and regulatory policy, in accordance with the relevant European legislation (Directive 2008/6/EC).

-The expected assistance was through gaining the experience from countries with similar conditions and to see the best European practices, with experts recommendations on improvement of postal services in the country and results awaited.

Study Visit on Monitoring the postal service quality and Universal Service obligations [INFRA IND/EXP 42634 and 42690 / 13.12.2010 – 17.12.2010]

- The aim of the mission was to provide the support, experience and recommendations as regards to quality of postal service with the stress on quality of transit time and audit of the measurement of transit time and used methodology.

- The aim was also to provide the support, experience and recommendations as regards to scope, provision, quality, access and regulation of universal postal service.

- A countrywide study was conducted to emphasize the situation of postal delivery procedure in the country. The study presented issues and inefficiencies concerning the supply chain of postal items. The study would challenge the efficiency of delivery, safety, and security of private postal boxes. The research then should provide detailed information on beneficial measures to be taken to meet current standards of the European Union.

Expert Mission on Access to postal infrastructure and postal services within the universal service [INFRA IND/EXP 46901 / 28.11.2011 – 02.12.2011]

-Evaluation of guidelines for a consistent access regime.

-Guidelines for establishing a price-regulation.

Study Visit on cost accounting separation and cost allocation for universal postal services [ETT IND/STUD 51081 / 18.02.2013 – 22.02.2013]

-Evaluation of guidelines for a cost-accounting system as precondition for a consistent price regulation and for the maintenance of universal service.

-Guidelines for establishing a price-regulation.

Expert Mission on the Monitoring of the Postal Services [ETT IND/EXP 51080 / 04.03.2013 – 08.03.2013]

-Provision of Guidance on Monitoring of Postal Services

Expert mission on Defining the criteria for access points to the universal service by developing a methodology and system monitoring [ETT IND/EXP 51082 / 26.08.2013 – 30.08.2013]

- Defining a standard for access points to the universal service (by end-users), through developing a methodology regarding the numbers and areas of post offices and mailboxes as well as the distance between them.
- (Re)defining the criteria for exceptions from the standard according to No.1
- Exchange of expertise and best practices in the EU, especially in Germany.
- Developing criteria for a monitoring system to secure the application of the criteria developed for access points (No.1).
- Practical example: the new German monitoring system.

Expert Mission on defining prices and accounting system of the universal postal service [INFRA IND/EXP 46899 / 16.06.2014 – 20.06.2014]

- Application of tariff principles for postal services within the universal service pursuant to the Law on postal services and the recommendations of the third postal directive 2008/06/EC.
- Defining a model for price determination of the universal postal service based on real costs for universal service provision.
- Defining criteria for price determination of the universal service for large users.
- Introduction and implementation of accounting system for the universal service.
- Determining a model for calculation of net costs for the universal service

The policy and legislative developments deriving from the twinning project will be subject of extensive consultations with the concerned postal sector stakeholders. Furthermore, in accordance with the Public Administration Reform Strategy 2018-2022, professionalization and competences of the Postal Agency' staff are expected to increase.

3.4 List of applicable *Union acquis*/standards/norms:

Directive 97/67/EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service and its amendments of 2002 and 2008.

The secondary national legislation envisages the following CEN Standards: MKS EN 13850:2013, MKS EN 14012:2010, MKD EN 13724:2016 and MKTI CEN/TR 15472:2009.

3.5 Results per component

The following key results are expected to achieve the improved administrative and regulatory capacity of the Agency:

Component 1:

Mandatory result 1: Creation of policy papers and procedures

In the context of Mandatory Result 1 the following indicative sub-results will be achieved:

Result 1.1: *Analysis of the Postal Agency capacity and framework for creation of policy papers and recommendations for improvement prepared*

Indicators of achievement:

- Report on the assessment of the Postal Agency capacity drafted.
- Analysis of the framework for creation of policy papers and recommendations prepared.
- Manual for creation of policy papers prepared

Result 1.2: Analysis of Postal Agency inter-organizational procedures

Indicators of achievement:

- Assessment of the current situation regarding capacities for inter-organizational procedures and recommendations for improvement prepared
- Manual for inter-organizational procedures prepared.

Result 1.3: Training for Postal Agency's employees in the area of creation of policy papers and procedures organised

Indicators of achievement:

- Training Needs Assessment Report for creation of policy papers and procedures drafted.
- Training Programme for the staff of the Postal Agency in the area of creation of policy papers and procedures developed.
- Number of trainings for the staff of the Postal Agency in the area of creation of policy papers and procedures held.
- All Postal Agency employees trained in the area of creation of policy papers and procedures

Component 2:

Mandatory result 2: Determining adequate separate accounting and cost allocation system, net cost calculation model of the universal service and price policy model

In the context of Mandatory Result 2 the following indicative sub-results will be achieved:

Result 2.1: Analysis of the current situation regarding separate accounting and cost allocation system, net cost calculation model and methodology for price regulation, including the analysis of the legal framework

Indicators of achievement:

- Comprehensive analytical report on the existing situation drafted.
- Recommendations for the universal service provider separate accounting, a cost allocation system, net cost calculation model and price regulation of postal services within universal service prepared.
- Manual for Accounting Separation and Cost Allocation, net cost calculation and price regulation prepared. The Manual should represent an additional regulatory document, having the main purpose to support the implementation of the valid legal framework. This document should precisely define the obligations of both the regulator and the public operator, which will contain all provisions for the public operator and should apply to meet legal obligations. The aim of this document, i.e. the stipulation of more detailed and transparent procedures of accounting, separation and reporting is assistance to the public operator in fulfilling its legal obligations, and to the Regulatory Authority to direct and supervise this fulfillment appropriately.
- Separate accounting and cost allocation system, net cost calculation model and Methodology for price regulation, most appropriate to the specific characteristics of BC, as well as to the set legal and other obligations selected.

- Proposal on changes in legislation for implementation of most appropriate separate accounting and cost allocation system, net cost calculation model and methodology for price regulation developed.
- Recommendations for *MP (USP)* software for accounting and cost allocation upgrading.

Result 2.2: *Training of Postal Agency employees in the area of separate accounting, net cost calculation and price regulation.*

Indicators of achievement:

- Training Needs Assessment Report on Postal Agency's administrative capacity in accounting separation, net costs calculation and price regulation drafted.
- Training Programme for the staff of the PA in the field of accounting separation, net costs calculation and price regulation drafted.
- Number of trainings for the employees of the Postal Agency, MP and representatives of the Ministry of Transport and Communications organised.
- Study visit for approximately 10 representatives of the beneficiary institution to be organized Employees that have been previously trained on accounting separation, i.e. cost accounting issues and price regulation to take part in the study visit. The objective of the study visit is to get acquainted with the manner in which the Regulatory Authority in the EU partner country sets requirements concerning accounting separation, net costs calculation and price regulation, the types and dynamics of submitting regulatory reports, how submitted data is checked, as well as to learn more on how income and expense are kept and allocated in the postal service provider, which is bound to it by legal and regulatory by-laws.

Component 3:

Mandatory result 3: Strengthening the inspection role of the Postal Agency

In the context of Mandatory Result 3 the following indicative sub-results will be achieved:

Result 3.1: *Analysis of the Postal Agency capacities for supervision and inspection, as well as its competences conducted*

Indicators of achievement:

- Comprehensive and analytical report on the Postal Agency capacities for supervision and inspection in accordance with the national legislation drafted
- Manual for supervision and inspection prepared.

Result 3.2: *Training of Postal Agency employees in the area of supervision and inspection organised*

Indicators of achievement:

- Training Needs Assessment Report in the area of inspection and supervision prepared
- Training Programme for the staff of the Postal Agency in the area of inspection and supervision drafted.
- Number of trainings of the Postal Agency's employees in the area of inspection and supervision held.
- All authorized persons in the Postal Agency for performing supervision trained.

Component 4:**Mandatory result 4: Establishing criteria and legislative provisions for EN 13724 standardized private letter boxes**

In the context of Mandatory Result 4 the following indicative sub-results will be achieved:

Result 4.1: *Analysis of the current situation regarding the universal service quality and delivery of postal items, including the legal framework recommendations prepared*

Indicators of achievement:

- Comprehensive and analytical report on the current situation concerning universal service quality and delivery of postal items, with emphasize on quality of delivery of postal items/small parcels stemming from e-commerce and online shopping (safety and security of the delivered mail) prepared.
- Recommendations for possible amendments in primary and/or secondary legislation concerning EN 13724 standardized private letter boxes drafted.

Result 4.2: *Training of Postal Agency employees on the MKD EN 13724 standard organised*

Indicators of achievement:

- Training Needs Assessment Report in the area of creating papers on standardized private letter boxes prepared. The training foresees to introduce employees of the PA to the EN standard and its impact on the improvement of postal item delivery in the country. The EN 13724 standard discusses requirements and test methods for private letter boxes and letter plates. This standard is applied throughout the European Union, focusing on security, impregnability, safety, and performance for the user of postal services. The standard was also designed to meet the needs concerning efficiency and practicality of delivery personnel. Letter boxes produced in accordance with the standard allow daily and secure delivery of a majority of postal items. The standard focuses mainly on the classification and testing of aperture types, aperture sizes, corrosion resistance, and security.

- Training Programme for the staff of the Postal Agency in the area of creating papers on standardized private letter boxes developed.
- Number of trainings of Postal Agency's employees in the area of creating papers on standardized private letter boxes organised.
- A number of employees in the Postal Agency working in the area of creating papers on standardized private letter boxes trained.

Result 4.3: *Public awareness on impact of the standardized letter boxes on the quality of service organised*

Indicators of achievement:

- Communication strategy for informing the postal service users on the importance of safe and quality delivery of postal items, concerning standardized letter boxes drafted. The Postal Agency will provide essential information and equipment to consolidate awareness on the EN13724, throughout the country. Therefore, 7.500 units of EN13724 compliant post boxes will be distributed throughout the country, which will be provided by the Postal Agency. Brochures and vital information on the EN13724 to be prepared by the twinning partner(s), in cooperation with the Postal Agency. This strategic measurement shall include all necessary information to ensure a smooth implementation of the standard.
- National public campaign on the impact of the standardized letter boxes over the quality of service conducted.
- Awareness on the importance of EN13724 standard raised.

Component 5:

Mandatory result 5: Improvement of capacities for specific market analysis

In the context of Mandatory Result 5 the following indicative sub-results will be achieved:

Result 5.1: *Market analysis conformity with secondary legislation prepared*

Indicators of achievement:

- Comprehensive and analytical report developed on the current situation in the area of market analysis in accordance with the national legislation with specific attention to the secondary legislation, which prescribes the collecting data and quality control.
- A study visit of relevant employees in the regulatory authority in one Member State organised. The study visit is expected to demonstrate how specific approvals are issued and auditing of an approved organization in the field of market analysis is performed.

Result 5.2: *Analysis of the harmonization process and implementation of EU acquis prepared*

Indicators of achievement:

- Analysis of the national legislation performed
- Concordance table on BC legislation and the needs for further harmonization with the EU *acquis prepared*
- Recommendations for amendments of the legal framework drafted.
- Recommendations for improvement of existing procedures and manuals, as well as proposals of new tools prepared.

Result 5.3: *Strengthened capacities in collection of statistical data*

Indicators of achievement:

- The Postal Agency's employees trained in the area of market analysis and collecting statistical data from postal operators.
- Number of trainings for the Postal Agency employees working on market analysis conducted.
- Operational guidelines for collecting statistical data from postal operators prepared. The Guidelines should define the necessary frame for collecting data according to EU legislation and to meet the European operational standards in the postal sector

Result 5.4: *Analysis of existing documents for quality measurement of postal service provision performed*

Indicators of achievement:

- Analysis of existing documents for quality measurement performed.
- Guidelines/Rulebook on conducting measurement for postal services provision, with defining the steps for performing measurement and to control the conducting process prepared.

3.6 Means/input from the EU Member State Partner Administration(s)*:

The project will be implemented in the form of a Twinning contract between the beneficiary country and EU Member State(s). The implementation of the project requires one Project Leader (PL) with responsibility for the overall coordination of project activities and one Resident Twinning Adviser (RTA) to manage implementation of project activities, Component Leaders (CL) and pool short-term experts within the limits of the budget. In its proposal, the MS should propose the activities it considers more appropriate to achieve the results listed above. **Therefore, it is necessary that the MS proposal clearly indicates all inputs/means with concrete indications on how the work plan should be established, on the suggested schedule of activities, on the profile of short-term experts and on**

indicators and targets that should be used to ensure the timely achievement of the mandatory results/outputs.

The interested Member State(s) shall include in their proposal the CVs of the designated PL and the Resident Twinning Advisor, as well as the CVs of the potentially designated component Leaders-CLs.

The Twinning project will be implemented by close co-operation between the partners aiming to achieve the mandatory results in sustainable manner.

The set of proposed activities will be further developed with the Twinning partners when drafting the initial work plan and successive rolling work plan every three months, keeping in mind that the final list of activities will be decided in cooperation with the Twinning partner. The components are closely interlinked and need to be sequenced accordingly.

3.6.1 Profile and tasks of the PL:

Qualifications and skills:

- be a national of a Member State of the European Union;
- Proven contractual relation to a public administration or mandated body" see Twinning Manual 4.1.4.2.
- At least a University degree preferably in the field of law/economics/public administration or equivalent professional experience of 8 years in public administration;
- At least 3 years of relevant experience in the EU MS' in postal regulation
- Previous experience in project management will be considered as asset;
- Fluent written and spoken English.

Tasks:

- Conceive, supervise and coordinate the overall Twinning project;
- To provide strategic advice on high level regarding reforms supported by the Twinning;
- Coordinate and monitor the overall implementation of the project including coordination and direction of the MS TW partner;
- Co-ordinate MS experts' work and availability;
- Communicate with the beneficiary and EUD;
- Ensure the backstopping functions and financial management;
- Guarantee from the MS administration side, the successful implementation of the project;
- Participate in quarterly meetings of the Project Steering Committee with the BC PL;
- Participate in preparation of the initial and subsequent work plans;
- Participate in preparation of both interim and final reports.

3.6.2 Profile and tasks of the RTA:

The Resident Twinning Advisor (RTA) will be based in the BC to provide full-time input and advice to the project for the entire duration of the project. This expert will bear the responsibility to coordinate in the field and on a day to day basis all the activities planned in the Twinning.

Qualifications and skills of the Resident Twinning Adviser

- be a national of a Member State of the European Union;
- Proven contractual relation to a public administration or mandated body, in charge of management and supervision of the postal services and regulation
- At least University Degree preferably in the field of management, law, public administration, economics, or equivalent professional experience of 8 years in public administration in a relevant field;
- At least 3 years of experience in the field of postal regulation;
- Be fluent in written and spoken English;

Tasks:

As to the general responsibility of the day-to-day implementation of the Twinning project in the Beneficiary Country, the Resident Twinning Adviser (RTA) tasks will include:

- Provide technical advice and assistance to the administration or other public sector bodies in the BC in the context of a predetermined work-plan;
- Coordination of all project activities and experts inputs in the BC;
- Ensuring day-to-day implementation of the Twinning project in the BC;
- Ensuring smooth correlation between the activities, deadlines and the envisaged results in the Work Plan;
- Preparation of the materials and documentation for regular monitoring and reporting;
- Preparation of side letters;
- Together with the Project Leader, to nominate, mobilize and supervise the Short-Term experts.

3.6.3 Profile and tasks of Component Leaders:

Component leaders will ensure the implementation of the project components and plan the agreed activities in a timely manner with high quality. They report to the RTA and liaise with the RTA counterpart.

Component leaders:

- Proven contractual relation to a public administration or mandated body
- At least University-level degree or equivalent professional experience of 8 years public administration;
- have at least 3 years of relevant professional experience in the EU MS dealing with postal services/regulations
- experience in accordance with components listed in this Twinning project will be considered as asset
- Professional experience in developing training programmes and implementation of training sessions directed towards staff members and/or operators in the scope of the project will be considered an asset;
- Fluency in English;
- Computer literacy.

Tasks

- Provide practical expertise/advice to relevant staff for execution of different tasks related to the project;
- Assist in key tasks, in the field of drafting legislation, training, preparing guidelines for strategic use and management of training and providing training;
- Contribute to the project reporting, to drafting the notes and other documents and reports on their missions;
- Address cross-cutting issues;
- Provide technical advice, support and assist the Agency in the context of a drafting policy papers;
- Prepare Analyses of the existing guidelines, instructions and manuals regarding procedures and working practices;
- Overview the designing, drafting and implementing of the new enhanced and control management system and procedures and for drafting guidelines, instructions and manuals regarding effective procedures, working processes and control mechanisms. Ensuring day-to-day linkages with the beneficiaries.

3.6.4 Profile and tasks of other short-term experts:

Other specialist staff will be made available by the MS Twinning Partner to support the implementation of activities. Under supervision and guidance of the PL and RTA the proposed pool of short-term experts is expected to cover all relevant areas targeted under this project in order to achieve the mandatory results as follows:

- Prepare and implement tasks for strengthening the supervision and inspection capacity of the Postal Agency's employees;
- Prepare and implement tasks for strengthening the knowledge and practice of separate accounting and allocation system, net cost calculation model and price policy model;
- Prepare and implement tasks for strengthening the administrative capacity of the Agency regarding creating policy papers and procedures;
- Assist in tasks of drafting amendment to primary and/or secondary legislation;
- Prepare and implement tasks in the area of data collecting and specific market analysis

Qualifications and skills:

Short-Term Experts will:

- have a University-level degree³ in the relevant discipline or equivalent professional experience of 8 years in public administration;
- have at least 3 years of relevant experience in implementation of institutional aspects targeted by the Twinning Project Fiche in the field of postal service regulation;
- be fluent in English, both oral and written.

3.6.5 Profile and tasks of the RTA assistants

RTA Assistant:

The RTA will be provided with a full-time RTA assistant acting as an assistant for technical and organizational support. The assistant will be contracted according to Twinning rules and

³ EPSO website – Annex 1 (http://europa.eu.int/epso/on-line-applications/pdf/guide-1242-171104_en.doc)

paid from the Twinning budget. The assistant will be selected through an open call. The role of RTA Assistant is to support the RTA in the project management. In addition, the assistant will be responsible for organisation of meetings, seminars etc. and their logistics as well as for providing translation and interpretation services on a daily basis.

Full-time translator / interpreter:

For the purpose of the project and for cost effectiveness the Twinning Project foresees a part or full-time translator / interpreter who should be selected through an open call. The full-time translator / interpreter will be involved in all necessary project activities (training sessions, translation of project documents/reports and materials, organizational activities, etc.). The role of the translator / interpreter will be to provide translation and editing as well as interpretation services to the Twinning project in general.

4 Budget

Twinning Contract	Total (EUR)	IPA contribution		Community contribution		National contribution		Public contribution	
	600.000	EUR	%	EUR	%	EUR	%	EUR	%
		600.000	100			/		/	

5 Implementation Arrangements

5.1 Implementing Agency responsible for tendering, contracting and accounting is the EU Delegation

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5.1 Institutional framework

The Postal Agency is the main Beneficiary of this project, along with the co-beneficiary institutions MP and the Ministry of Transport and Communications. All directorates (six) within the Postal Agency will be beneficiaries and all of them will participate in this Twinning project.

The Postal Agency will be in charge of implementation and coordination of the project with the other co-beneficiaries. The project leader will be in charge of the implementation and coordination within the Agency.

The results of the project will not lead to a change of the existing institutional framework.

5.2 Counterparts in the Beneficiary administration:

The PL and RTA counterparts will be staff of the Beneficiary administration and will be actively involved in the management and coordination of the project.

Contact person:

Ms. Mirjana Jankovikj
Head of the Directorate for coordination of the director's work
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BC Project Leader

Ms. Mirjana Jankovikj
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RTA counterpart

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Contact person from the Ministry of Transport and Communications

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Advisor at the Ministry of Transport and Communications
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Contact from MP

Mr Rami Jusufi
Head of Department for Economic and Financial Issues
Bul Orce Nikolov 46

6 Duration of the project

The implementation period of the Action will last 18 months. The execution period of the contract shall enter into force upon the date of notification by the Contracting Authority of the contract signed by all parties, whereas it shall end 3 months after the implementation period of the Action.

7 Sustainability

Postal services market in the BC is developing in conditions of increased volume of items deriving from e-commerce and online shopping and it is absolutely necessary to reinforce the Agency in order to be able to promote competition and regulate postal services market. The results to be achieved by the project will contribute to the improved regulation of the market and its liberalization as well as the country's ability to fully implement the acquis in the area of postal services upon accession.

The produced Manuals as a result of this project will represent a significant step towards ensuring sustainability of Government's strategic plans and implementation of regulations since this is a long term project and will set the basis for further activities and development.

The Agency's staff will benefit from the training provided by this project in a way that will give a valuable first-hand experience and knowledge to be used in day-to-day job, but they will also identify training needs in accordance with the future regulatory activities.

Resulting from the EN 13724 standardized letter boxes, this project will contribute to protection of privacy of the citizens, i.e. discretion of postal communication, as a constitutionally guaranteed right.

The Postal Agency will be responsible for disseminating the results of this project.

8 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.

The project does not involve activities with an environmental impact.

9 Conditionality and sequencing

9.1 Conditionality

The project includes the following conditionality:

- Appointment of counterpart personnel by the beneficiary before the launch of the call of proposal and guaranteeing the continuity of the appointed and trained staff;
- Participation by the beneficiary in the selection process as per EU regulations;

- Timely organisation, selection and appointment of members of working groups, steering and coordination committees, seminars by the beneficiary;
- Appointment and availability of the relevant staff of the beneficiaries to participate in project implementing activities (especially training activities) as per the work plan.

9.2 Sequencing

Key milestones will be:

- 1) Approval of the Twinning project fiche;
- 2) Circulation of the Twinning Project Fiche to Member State National Contact Points;
- 3) Completion of the selection of the twinning partner;
- 4) Signature of the Twinning contract, including the Twinning Work Plan;
- 5) Commencement of the implementation of the twinning (inter alia, the arrival in the country of the Resident Twinning Adviser);
- 6) End of the implementation period;
- 7) Submission of the final report;
- 8) Twinning review mission (6 to 12 months after end of the project).

10 Indicators for performance measurement

See section 3.5

11 Facilities available

The beneficiary will provide all necessary infrastructure such as office space and desktop computers with internet connection, Windows operating system and Microsoft Office, printer, office materials, venue for holding seminars and workshops, and will ensure the necessary local staff/experts inputs.

LIST OF ACRONYMS

BC – Beneficiary country

PA – Postal Agency

MP – Macedonian Post

NRA – National Regulatory Authority

PL – Project Leader

RTA – Resident Twinning Adviser

CL – Component Leaders

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Organogram of the structure of systematization of the employees in the PA
3. Law on postal services (under translation, will be submitted additionally)

ANNEX 1

LOGFRAME PLANNING MATRIX FOR Project Fiche		Project title and number: Strengthening of the capacities of the Postal Agency in line with EU Directive 2008/6/EC	
		Contracting period expires two years from the date of the conclusion of the Financial Agreement	Execution period expires two years from the final date for contracting Disbursement period expires one year from the final date for execution of contracts. Disbursement should be transferred as soon as the contract has been signed.
		Total budget: EUR 600.000	IPA budget: EUR 600.000
Overall objective	Objectively verifiable indicators (OVI)	Sources of Verification	
The overall objective is to strengthen the Postal Agency's capacities in line with the requirements deriving from the national legislation, as well as from the EU's Postal Directive.	Strengthened administrative capacities to implement EU Acquis and needed reforms in order EU requirements to be met, thus bringing the country closer to the EU Single Market	<ul style="list-style-type: none"> - Postal Agency's reports and database; - Statistical reports; - EU Assessment and CountryReports 	

Specific objective	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions
<p>-</p> <p>The specific objectives of the Twinning project are to improve and strengthen the administrative and regulatory capacity of the Postal Agency in the following areas:</p> <ul style="list-style-type: none"> - Creation of policy papers and procedures; - Improvement of capacities for specific market analysis; - Determining adequate separate accounting and cost allocation system, net cost calculation model of the universal service and price policy model in order to observe the legal provisions; - Inspection mandate; - Establishing criteria and legislative provisions for standardized private letter boxes according to MKD EN 13724:2016. <p>-</p>	<p>Improved administrative and regulatory capacity of the Postal Agency in the area of ensuring provision of the universal service, the quality of the service, the universal service accessibility. Regulated standardization criteria of private letter boxes, with a single purpose for the end users of postal services to receive a quality and timely service. Improved capacities of the employees in the Agency regarding creation of procedures and policy papers, adequate separate accounting and cost allocation system, net cost calculation model and price policy model, as well as strengthening the inspection capacities of the Postal Agency.</p>	<ul style="list-style-type: none"> - Postal Agency's reports and database; - Postal Agency's decisions - EU Assessment and Country Reports - Twinning project Reports 	<ul style="list-style-type: none"> - Commitment of national authorities; - Willingness and capacity of the Agency to introduce changes; - Availability of appropriate staff for project activities and trainings; - Availability of appropriate expertise, - Continued cooperation with ministry/operators/stakeholders
<p>Results</p>	<p>Objectively verifiable indicators (OVI)</p>	<p>Sources of Verification</p>	<p>Assumptions</p>
<p>Component 1: Creation of policy papers and procedures.</p>	<ul style="list-style-type: none"> - Assessment reports on the current situation, - Prepared Manual for creation of 	<ul style="list-style-type: none"> - Twinning project Reports, - Postal Agency's reports and database and documentation, 	<ul style="list-style-type: none"> - Full compliance of the parties involved

<p>1.1: Analysis of the Postal Agency capacity and framework for creation of policy papers and recommendations for improvement prepared</p> <p>1.2: Analysis of Postal Agency inter-organizational procedures</p> <p>1.3: Training for Postal Agency's employees in the area of creation of policy papers and procedures organised</p>	<p>policy papers,</p> <ul style="list-style-type: none"> - Prepared Manual for inter-organizational procedures, - Training Needs Assessment Report - Training Programme - Training of employees - Organized workshops 		
Results	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions
<p>Component 2: Determining adequate separate accounting and cost allocation system, net cost calculation model of the universal service and price policy model.</p> <p>2.1: Analysis of the current situation regarding separate accounting and cost allocation system, net cost calculation model and methodology for price regulation, including the analysis of the legal framework</p> <p>2.2: Training of Postal Agency employees in the area of separate accounting, net cost calculation and price regulation</p>	<ul style="list-style-type: none"> - Report on the existing situation and suggestions - Prepared Manual for Accounting Separation and Cost Allocation, net cost calculation and price regulation - Most appropriate separate accounting an cost allocation system, net cost calculation model and Methodology for price regulation selected - Proposal on legislation amendment developed - Software upgraded - Training Needs Assessment Report - Training Programme - Organized workshops - Organized study visit 	<ul style="list-style-type: none"> - Twinning project Reports - Postal Agency's reports and database and documentation, - National legislation and Postal Agency's decisions 	<ul style="list-style-type: none"> - Commitment of national authorities and national operator; - Willingness and capacity of the Agency to introduce changes; - Availability of appropriate staff for project activities and training; - Availability of appropriate expertise, - Continued cooperation with ministry/operators/stakeholders
Results	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions

<p>Component 3: Strengthening the inspection role of the Postal Agency.</p> <p>3.1: Analysis of the Postal Agency capacities for supervision and inspection, as well as its competences conducted</p> <p>3.2: Training of Postal Agency employees in the area of supervision and inspection organised.</p>	<ul style="list-style-type: none"> - Report on current situation - Prepared Manual on supervision and inspection - Training Needs Assessment Report - Training Programme - Training of employees - Organised workshops 	<ul style="list-style-type: none"> - Twinning project Reports - Postal Agency's reports and database and documentation, - National legislation 	<ul style="list-style-type: none"> - Willingness and capacity of the Agency to introduce changes; - Availability of appropriate staff for project activities and training; - Availability of appropriate expertise, - Continued cooperation with institutions/operators/stakeholders
<p>Results</p>	<p>Objectively verifiable indicators (OVI)</p>	<p>Sources of Verification</p>	<p>Assumptions</p>
<p>Component 4: Establishing criteria and legislative provisions for EN 13724 standardized private letter boxes.</p> <p>4.1: Analysis of the current situation regarding the universal service quality and delivery of postal items, including the legal framework recommendations prepared</p> <p>4.2: Training of Postal Agency employees on the MKD EN 13724 standard organised</p> <p>4.3: Public awareness on impact of the standardized letter boxes on the quality of service organised</p>	<ul style="list-style-type: none"> - Report on the current situation, quality of delivery of postal items/small parcels stemming from e-commerce and online shopping emphasized - Amendments drafted - Training Needs Assessment Report - Training Programme - Training of employees - Organized workshops 	<ul style="list-style-type: none"> - Twinning project Reports - Postal Agency's reports and database and documentation, - National legislation - Postal Agency web site 	

	<ul style="list-style-type: none"> - Communication Strategy created - Public campaign organised - Acquisition and distribution of 7500 units of standardized letter boxes by the Postal Agency 		
Results	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions
<p>Component 5: Improvement of capacities for specific market analysis.</p> <p>5.1: Market analysis conformity with secondary legislation prepared</p> <p>5.2: Analysis of the harmonization process and implementation of EU acquis prepared</p> <p>5.3: Strengthening capacities in collection of statistical data</p> <p>5.4: Analysis of existing documents for quality measurement of postal service provision performed</p>	<ul style="list-style-type: none"> - Report on current situation - Organized study visit - Legislative amendments - Training of employees - Organized workshops - Drafting operational Guidelines on collecting statistical data - Prepared new procedures for specific market analysis 	<ul style="list-style-type: none"> - Twinning project Reports - Postal Agency's reports and database and documentation, - National legislation and Postal Agency's decisions 	<ul style="list-style-type: none"> - Willingness and capacity of the Agency to introduce changes, - Availability of appropriate staff for project activities and training; - Availability of appropriate expertise, - Continued cooperation with institutions/operators/ stakeholders
Activities to achieve results	Means / contracts	Costs	Assumptions

<p>The twinning will be provided in the form of know-how transfer, and will be delivered through:</p> <ul style="list-style-type: none"> - Advice and coaching sessions; - Tailor made training programme; - Seminars, workshops and conferences: - Analysis of Legal acts, Guidelines, Manuals, procedures and check-lists; - Development; - Study visits 	<ul style="list-style-type: none"> - One Twinning contract - One Member State Project Leader; - One Member State Resident Twinning Adviser; - Component Leaders; - A pool of short-term experts. 	<p>Total budget: EUR 600,000</p>	<p>Input from EU MS partner</p> <p>Continuing commitment of staff and management</p>
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