

Modernization of Government Services Project (MGSP)



*Semester Progress Report
AS of December 2018*

Project outline

The MGSP project supports the Government of Republic of Moldova to implement activities in line with:



Moldova Public Administration Reform Strategy 2016-2020

https://cancelaria.gov.md/sites/default/files/document/attachments/strategia_de_reforma.pdf

Priorities for poverty reduction and shared prosperity identified by World Bank's 2016 Systematic Country Diagnostic

<http://documents.worldbank.org/curated/en/465041475522681625/pdf/Moldova-SCD-clean-09232016.pdf>

Service Governance Focus Area of the World Bank Partnership Framework for 2018-2021 that aims to improve efficiency, quality and inclusive access of Moldovan citizens to public services

<http://documents.worldbank.org/curated/en/604221499282920085/pdf/MOLDOVA-CPF-FY18-21-20170629-final-07052017.pdf>

General data on the Project



Based on official documents: Loan and Financing Agreements signed on 28th of November 2017, ratified by the Moldova Parliament as of March 1, 2018 (Law #25, effective since its publication in the national gazette "*Monitorul Oficial*")

Project development objective (PDO): to improve access, efficiency, and the quality of delivery of selected government administrative services

Project effectiveness: 25th of June 2018

Total Project budget: US\$ 22.43 mln

Credit amount: US\$ 20.00 mln

Contribution of the Government of Moldova: US\$ 2.43 mln

Donor: World Bank

Implementing entities: State Chancellery and Moldova e-Governance Agency

MGSP Period of implementation: June 25, 2018 – June 30, 2023

MGSP Project Preparation Advance: September 1, 2017 – June 25, 2018

PDO Level Results Indicators

- Time (days) needed for citizens to obtain selected government administrative services reengineered within the project through the regular procedure
- Share of people who have accessed e-services in the past 12 months, of which
 - % women
 - Low income categories (bottom 40%)
- Level of citizen`s satisfaction with quality of selected government services of which
 - % women
 - Low-income categories (bottom 40%)

Component 1 Administrative Service Modernization

This component supports improvements in Government services processes to address excessive administrative requirements, inefficiency of public institutions, ineffective communication, and other deficiencies, creating barriers for citizens and businesses in accessing



Subcomponent 1.1: Business Process Reengineering

The objective of this subcomponent is to redesign at least 21 selected central administrative services provided to citizens and businesses to reduce the administrative burden of access and prepare for digitization of services under Component 2.

Subcomponent 1.2: Reform Management and Coordination

This subcomponent develops capacity for reform management, develop a coordination mechanism and support change management.

Subcomponent 1.3: Expanding Access Points for Central Government e-Services

The subcomponent facilitates access to Government administrative services at the local level through the creation of Unified Centers for Public Services Delivery (CUPS) windows across Moldova and supporting capacity building to promote citizen-centered facilitation services at CUPS.

Subcomponent 1.4: Citizen Feedback and Outreach

This subcomponent focuses on mainstreaming citizen-centric approaches and socially inclusive citizen engagement in the project.

Subcomponent 1.1 Business Process Reengineering

Re-engineering of three selected public services



The aim of this activity is to re-engineer of 3 selected services from a total of at least 21 services, from the stage of AS-IS and TO-BE mapping, all the way to piloting of the new model of service delivery and evaluating the efficiency.

Progress to date:

Set up working team and train it on the re-engineering of public services:

- Training curricula and materials on reengineering of public services elaborates;
- Training report delivered;
- Post-training survey among trainees regarding the quality and adequacy of training applied.

Document the actual situation of the public services under re-engineering:

- List of full legal basis (primary, secondary and tertiary legislation) finalized;
- Staff expertise level analysis;
- Service maturity level analysis;
- Inventory of ICT solutions;
- Delivery channels analysis.

Deliverables in process:

- Inventory of existing business processes;
- “AS-IS” and the overall map of all business processes to be finalized and approved: identified gaps (legal, organizational etc.);
- Customer perception analysis;
- Business process deficiencies analysis;
- Key baseline parameters.

The pre-selected public services to be re-engineered:

1. **Determining the Disability and Work Capacity**
2. **Issuance of unemployment allowance;**
3. **Issuance of Driving License**

Public authorities providing these services:

- National Council for Determination of Disability and Labor Capacity;
- National House of Social Insurance;
- National Agency for Employment;
- State-owned Public Services Agency.

Subcomponent 1.1 Business Process Reengineering

Progress per each selected service beneficiary

1. Service Determining the Disability and Work Capacity

- **AS-IS map** draft;
- **Staff expertise level analysis** for CNDDCM;
- **Customer perception analysis** first draft provided;
- **Key baseline parameters** - defined key parameters to measure the overall time of delivery of the service.



2. Issuance of Unemployment Allowance

- **AS-IS map** draft;
- **Staff expertise level analysis**;
- **Customer perception analysis** - focus group with 7 citizens benefitting from unemployment allowance conducted;
- **Key baseline parameters** - defined key parameters to measure the overall time of delivery of the service.

3. Issuance of Driving License

- **AS-IS map** draft;
- **Existing ICT solutions**;
- **Staff expertise level analysis**;
- **Customer perception analysis** - a focus group with 10 citizens was conducted;
- **Key baseline parameters** - defined key parameters to measure the overall time of delivery of the service.

Subcomponent 1.1 Business Process Reengineering

Inventory and horizontal review of central public services in the Republic of Moldova

The aim of this activity is to perform the preparatory work for the re-engineering initiatives of the government in the field of public services

Performed results:

- Recommendations on the optimization, merging or elimination of public services: list of public services to be optimized, merged or eliminated, accompanied by legal and other arguments;
- Developed methodology for unifying and describing public service passports based on Common Public Service Vocabulary;
- Recommendations regarding required amendments to legislation to implement the proposals for optimization, merging or elimination of the public services.
- Final report on the workshop with the representatives of public service providers on the activities, results and findings of the project.

Preliminary conclusions of the Inventory of Horizontal review of central public services:

- **Passports of services** – were identified 604 administrative public services offered by 65 providers;
- **19 life scenarios** were identified, out of which **5 are social and gender-sensitive**;
- **23 public services** were proposed to be merged, 8 public services were proposed for consolidation and 45 for disposal or transformation;
- **Inventory of the public services** that will comprise a list of the public services identified accompanied by the passport service and categorized per improved classification;
- **Inventory and passports of life events**;
- **Prioritization of administrative public services** as per prioritizations criteria.

Subcomponent 1.1 Business Process Reengineering

Inventory and horizontal review of central public services in the Republic of Moldova – continuation



5 social and gender-sensitive life scenarios identified during Inventory of Horizontal review of central public services:

- Being disabled and social inclusion of disabled persons, potentially including determination of disability, disability benefits, recruitment and employment of disabled people, integration of disabled children, driving license for disabled people etc.
- Integration and reintegration in the labor market, potentially including services like finding a job, career (re)orientation, (re)training, benefits etc.
- Retirement, including additional benefits for the socially vulnerable groups.
- Parenting, including pre-natal services, childbirth (potentially adoption as well) and raising a child.
- Being orphan, including with one parent or with migrant parents.

Expected outputs for the next stage :

- Organize workshops with representatives of public service providers, relevant policy-making bodies, State Chancellery, Agency for Public Services etc., to present the results of the assignment, including inventory of services, life scenarios, recommendations for optimization and other findings.

Subcomponent 1.1 Business Process Reengineering

Re-engineering of selected public services

The scope of work is the reengineering of 7 selected services and/or groups of services from a total of at least 18 services, from the stage of as-is mapping, to-be mapping, all the way to piloting of the new model of service delivery and evaluating efficiency gains.

In this context, EGA performed a comprehensive horizontal review and inventory of public services.

National Council of Public Administration Reform approved the following group of services for re-engineering:

- ✓ Birth registration and granting social benefits for childbirth and childcare;
- ✓ Registration of marriage;
- ✓ Registration of divorce;
- ✓ Issuing duplicate of civil status certificates, with or without changes;
- ✓ Granting retirement pensions for different categories of beneficiaries;
- ✓ Recording of death and granting social benefits in connection with the death of relatives;
- ✓ Registration of legal entities, individual entrepreneurs, patent holders and non-commercial organizations.

The Decision Making Bodies for modernization of Government services

The list of priority government services to be re-engineered was submitted for review and examination to the **Coordinator's Council for Services Modernization and Government e-Transformation** held on January 28, 2019 and for approval to the **National Council of Public Administration Reform** held on February 28, 2019 and as a result of this decision, the list of approved services was offered public.



Subcomponent 1.1 Business Process Reengineering

Re-engineering of selected public services – continuation

Expected outputs :

- **Result 1:** Set up working team and train it on the re-engineering of public services;
- **Result 2:** Document the actual situation of the public services under re-engineering;
- **Result 3:** Reengineer existing operational procedures and business processes;
- **Result 4:** Develop the tools required to support the implementation of the new service delivery model;
- **Result 5:** Pilot new service delivery model in real-life scenarios and with real customers;
- **Result 6:** Roll out the new service delivery model into production.



Subcomponent 1.3 Expanding Access Points for Central Government E-Services



Feasibility Study on Enhancing Citizen's Access to Administrative Services at Local Level

The aim of this activity is to conduct a feasibility study on enhancing citizen's access to the public services at the local level

The feasibility study assesses the viability and implementation of:

- separation of the front office from the back office in central government institutions in Moldova through outsourcing the front office segment of administrative services delivery;
- using CUPS as front-office for provision of a number of administrative services.

Ongoing:

- Preliminary individual office/service windows assessment reports with field work findings organized by institutions and potential CUPS assessed;
- Recommendations to support the outsourcing contracting process, if any;
- The editable cost assessment/estimate and financial models prepared as required under the scope of work.

Results to date:

- Inception Report including the assignment work plan, assessment methodology questionnaire;
- List of target individual office/service windows that will be assessed, individual office/service window assessment report template and instructions for staff on-site assessment (National House of Social Insurance, Fiscal Service);
- Assessment field work;
- Feasibility study outline and description of As Is situation;
- On-site assessments of potential CUPS;

Subcomponent 1.3 Expanding Access Points for Central Government E-Services



Feasibility Study on Enhancing Citizen's Access to Administrative Services at Local Level - continuation:

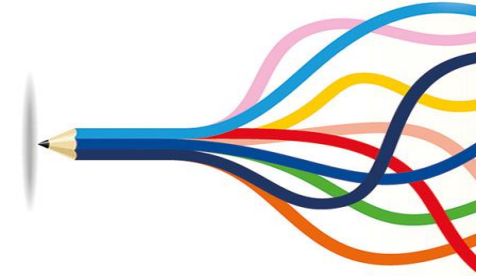
Expected outputs :

- Proposals to the legal and institutional framework for the implementation of the outsourcing of the FO;
- Course of action document for outsourcing the front office segment of the services (Action plan);
- Recommendations on the investment needed to implement the outsource for each of the institutions under assessment;
- Outsourcing public policy proposal document;
- Final Feasibility Study.

Subcomponent 1.4 Citizen Feedback and Outreach

Social inclusion, gender mainstreaming & citizen engagement framework

The aim of this activity is to assist the State Chancellery and EGA to develop the necessary framework attributes ensuring compliance of selected Government services with social inclusion, gender mainstreaming and citizen engagement requirements.



Expected outputs:

- **The Recommendations Note** to enable an effective and efficient citizen engagement process at each stage of service reengineering procedure;
- **The Evaluation Report** of three reengineered Government administrative services reflecting their compliance with citizen engagement, social inclusion and gender aspects developed;
- **The Recommendations Note** to ensure that gender and social inclusion requirements are considered in the reengineering process;
- **The set of tools for citizen engagement** to be used at each stage of the reengineering and evaluation processes developed and presented;
- **Social inclusion and gender mainstreaming toolkit** to offer the necessary informative and methodological support in the reengineering and evaluation processes developed;
- **Training curricula and training materials** on the consideration of gender mainstreaming, social inclusion and citizen engagement perspectives in the delivery of modernized Government administrative services developed;
- **Three training activities** related to the gender mainstreaming, social inclusion and citizen engagement organized;
- **Training Report** developed, including the agenda, list of trainees.

Subcomponent 1.4 Citizen Feedback and Outreach

Achieved results:

- **Workshop** with mobile operators and the Information Technology and Cyber Security Service on occasion of Mobile signature service 6th anniversary. Were discussed the service's results and analysed existing partnerships and establish new collaboration opportunities, September 14, 2018, <https://bit.ly/2ubdlLk>;
- **Media campaign** on MConnect and Law on the Interoperability, August-September 2018;
- The **Public dialog "Data exchange - a necessity has become a reality"** organized in the context of the promotion of the law on electronic data exchange and the commitments made by the Government through reform of public service modernization and Government digital transformation. Attended by 100 people, October 3, 2018.

Immediate outputs of the event:

- The Public Services Agency excluded the need to present the Certificate of Disposition for Criminal Offense at the request of the services rendered by the PSA.
- The Electronic Governance Agency, in partnership with the Ministry of Labour and Social Protection and the National Social Insurance House, set the goal of implementing the e-Health Certificate concept.



Deliverables for the next stage:

- Review and update media kit of each e-service on the services' platforms and egov.md website;
- Procurement and dissemination of promotion materials;
- EGA and e-service re-branding;
- Review the partnership with service providers & partners and build joint communication efforts on products developed in both GeT and MGSP Projects;
- Tailored comprehensive citizen outreach and awareness campaigns on e-services in both GeT and MGSP Projects;
- Public opinion polling and advertising re-engineered services.

Component 2 Digital Platforms and Services

The objective of this component is to support the digitization of selected reengineered administrative services, complete and strengthen a common infrastructure and mechanisms for rapid deployment of ICT enabled administrative services and introduce Government-wide IT management and cyber security standards and procedures.



Subcomponent 2.1: Digital Services

focuses on digitization of reengineered Government services (at least 15)

Subcomponent 2.2: Digital Platforms

aims to establish a robust digital infrastructure

Subcomponent 2.3: IT Management and Cyber Security

develop Government IT management and cloud security processes and standards and implement them across the Government, including capacity building



Subcomponent 2.2 Digital Platforms

Gap analysis of the existing digital infrastructure of e-Governance framework

The aim of this activity is to evaluate centralized and reusable electronic services and platforms owned or supervised by the Moldovan e-Governance Agency to:

- **improve** them by adding new features and optimizing business processes as per international best practices and new trends in the area of e-Governance;
- **complement existing e-Governance infrastructure** with new components which will solve individual and specific problems as part of electronic service development and delivery.



Expected outputs:

- Report regarding as-is and to-be analysis of e-Governance infrastructure, which should contain at least:
 - The analysis of existing electronic services and platforms;
 - Proposed improvements to existing electronic services and platforms, including new electronic service and platforms;
- High-level cost-benefit analysis of the proposed improvements and new services and platforms;
- Recommendations regarding the e-Services Governance process required to be developed and implemented;
- High-level roadmap for implementation of proposed components;
- Proposals to legal framework to sustain the implementation and adoption considering European and international practices.
- Analyze government private cloud platform (MCloud), including:
 - The analysis results of the current implementation of the MCloud platform, including services provided from MCloud;
 - Proposed new MCloud services to be implemented and MCloud extension strategy;
 - High-level cost-benefit analysis of the proposed services and strategy;
 - Suggestions on improving the existing financial model for MCloud.

Subcomponent 2.2 Digital Platforms

Electronic Authorization Registry Information System (MPower)



The Electronic Authorization Registry (MPower) is an effective solution to reduce the bureaucracy in public services, by providing a safe, flexible and efficient mechanism for management of authorizations for individuals and legal entities, the possibility to verify the existence and validity of authorizations by interested parties, including public authorities of the Republic of Moldova.

The aim of this activity is to design, develop, configure, and deploy the MPower Information System.

Expected outputs:

- **Sprint Report**, including release notes, breakdown and duration of tasks implemented during the sprint, velocity, issues and outstanding problems, proposed actions to be taken;
- **Sprint Backlog**, including breakdown and estimated duration of tasks proposed to be implemented during the next sprint, resources that the Consultant expects to be provided by the Client and/or actions to be taken by the Client;
- **Training reports**, submitted after each training session.

Subcomponent 2.3 IT Management and Cyber Security

Development of strategy, action plan, standards and procedures related to cyber security, Cloud Computing, mobile devices and IT operation domain



Although the Government of Republic of Moldova has launched the reform of public services in 2014-2016 and has committed to digitize and provide online access to all public services by 2020, lack of capacity and expertise to perform reengineering and process optimization remains an obstacle.

The reorganization initiatives, implemented by the Government of Moldova, regarding how IT services are provided and managed in Government Sector requires a review on how IT process are organized as well how cyber security is ensured by the Government IT platforms.

The aim of this activity is to develop IT operation and IT infrastructure cyber security standards and procedures, including strengthening the government capability to ensure proper cyber security of the government cloud platform and define cyber security strategy and action plan for management of mobile devices and data in government.



Progress under Component 2 Digital Platforms and Services



Expected progress at the end of Project Year 1:

3 upgrades to digital infrastructure

Actual status of results

Module upgrades to digital infrastructure and front office digitization completed:

- ✓ MCloud,
- ✓ MConnect/MAccess, MNotify,
- ✓ MPass, MSign,
- ✓ MPay, MDelivery,
- ✓ Public Services Portal, Registry of Authorization.

2 upgrades to digital infrastructure finalized:

- MAccess added to MConnect;
- MPass upgraded to digital infrastructure – a new method of authentication launched on 1st March 2019.

Achieved Results:

Transfer of the MCloud to the Center for Information Technologies and Cyber Security (CITCS).

Relevant policies and legal frameworks supporting e-Governance infrastructure



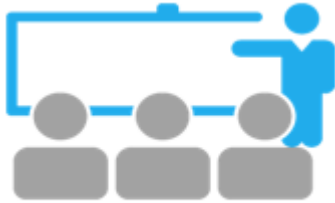
❑ Law no.142 / 2018 on the exchange of data and interoperability

The law establishes primary rules for the use of the Interoperability Platform (MConnect) as an information system to ensure the exchange of data between the information systems held by the participants in the data exchange.

- ❑ **Enacted the Government Decision No. 414/2018 serves as normative basis for reforming IT services in the government sector for:**
 - ✓ improving the quality of IT services provided to public authorities;
 - ✓ ensuring continuity and sustainability of implemented IT projects in the public sector;
 - ✓ ensuring cyber security in the internal processes of the authorities, as well as in the processes of delivering public services at the necessary level;
 - ✓ promoting innovative technologies in the governmental space;
 - ✓ streamlining the expenditures for the provision of IT services in the Government with the capitalization of all the investments made by the state in the IT projects.

Component 3 Services Delivery Model Implementation

The aim of this component is capacity building of the staff of key Government agencies, based on the new citizen-centric model and digital administrative service delivery arrangements, implemented under Components 1 and 2.



Subcomponent 3.1: Institutional Capability Development

Ensures that the required capabilities, structures and human resources are in place and aligned to the improved and digitized business processes of selected services.



Subcomponent 3.2: Capacity Development

Supports effective learning and development system focused on the needs of the new model for administrative services, building on existing strengths and tools.



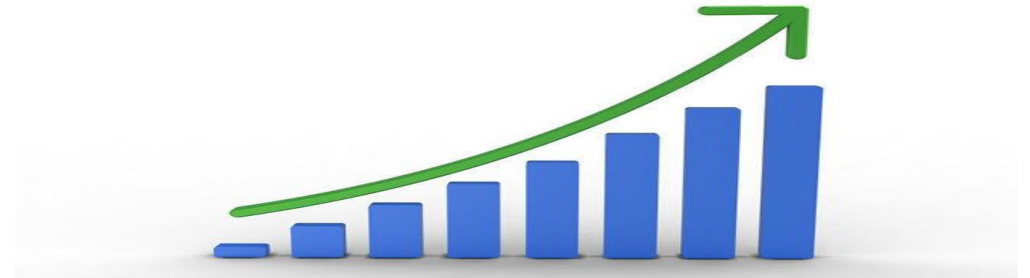
Subcomponent 3.3: Enhancing Performance in Service Delivery

Aligns incentives with service delivery objectives, performance objectives and indicators will have to be defined, understood, and monitored for institutions, management and staff.

Progress under Component 3

Proposed adjustments based on the following reasons:

- The need for redesign of the initially proposed full-time HR Consultant position to support the State Chancellery in the implementation of the Component 3. The recruitment of the Inter-component Coordinator already partially covers the responsibilities initially envisaged for the first position of HR Consultant;
- The necessity for an additional examination and re-planning of the responsibilities of the second HR Consultant initially planned to be hired in parallel with the HR Consultant 1;
- The demand for an extra activity under Component 3 that has not been foreseen in the project implementation plan - development of the Methodology for institutional capability review of the institutions involved in the process of modernization of public services delivery model.



Expected outputs:

- Bank final decision on the adjustment of Component 3;
- ToR publishing and selection of the Individual Consultant to develop Social Inclusion, Gender Mainstreaming and Citizen Engagement Framework;
- ToR approval, publishing and selection of the Individual Consultant to develop Change Management Framework;
- ToR development, approval, publishing and selection of the Individual Consultant to draft the Methodology for the institutional capability assessment of service providers involved in the modernization of public services delivery process.



Component 4: Project Management

This component finances the Project Implementation Unit, based in the eGA and co-finances the core eGA management team



Subcomponent 4.2: E-Government Center Management

Core management team ensures day-to-day support to the State Chancellery in the implementation of the MGSP project.

Subcomponent 4.1: Project Management Unit

The eGA designated staff serve as the PIU for the Modernization of Government Services Project (MGSP), dealing with fiduciary functions.

Progress to date:

- ✓ All contracts amended;
- ✓ PEF template developed and filled in for each staff member;
- ✓ Junior Procurement Specialist (PIU) – recruited;
- ✓ Financial Management Specialist (PIU) – recruited;
- ✓ Chief Operations Officer - recruited;
- ✓ Interoperability Administrator - recruited;
- ✓ Senior M&E Specialist – recruited;
- ✓ M&E Specialist (PIU) – recruited;
- ✓ MGSP Financial Audit for the period 01.09.2017 – 31.12.2018 – evaluation of the financial offers, contract signature;
- ✓ Physical inventory of the project – on-going;
- ✓ New accounting software for the project - in place.

Component 4: Project Management

Next steps:

- Organize eGA Administrative Board/ MGSP Steering Committee and officially approve eGA budget for 2019;
- Expedite (where applicable) MGSP activities per all components to compensate the current 3-4 months;
- Audit MGSP expenditures for the period 01.09.2017 – 31.12.2018;
- Finalize the physical inventory of the project fixed assets;
- Migrate the data into the new accounting software for the project.

