

# eGov Project

## QUARTERLY PROGRESS REPORT

### October - December 2010

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## Executive Summary

The five-year \$4,950,191 *eGov Project* was awarded by USAID/Macedonia on September 14, 2004, with the signing of Associate Cooperative Agreement No. 165-A-00-04-00102-00 to Internews Network under the dot-GOV Leader with Associates Award (GDG-A-00-01-00009-00). On April 10, 2009, the Project was granted an additional \$697,320 to continue programming through January 2011. In December 2010, the Project was approved for a no-cost extension for an additional three months with a new end date of April 30, 2011.

The *eGov Project* is helping to increase efficiency and transparency in the Macedonian public sector by improving its capacity to implement secure e-government solutions to enhance communication within the Government of Macedonia (GOM) and between the GOM and the businesses and citizens it governs. *The eGov Project* addresses the USAID-Macedonia *SO 1.3: Accelerated Development of the Private Sector and IR 1.3.3 Enabling Environment for Investment Improved*.

This report reflects the activities of the eGov Project and sub-granted activities of the Metamorphosis Foundation<sup>1</sup> (thereafter, the “Project”) **from October 1 to December 31, 2010**. Project staff successfully implemented all activities planned for this period.

The highlight of this quarter is the publishing and promotion of the handbook entitled “Fundamentals and development of e-government”, designed by the Project to share the experiences, lessons learned and problem solutions developed with its partners while implementing a variety of e-government services over the past six years. The handbook was published in cooperation with the Ministry of Information Society and introduced during the 6<sup>th</sup> International Conference e-Society.MK, supported and jointly organized with the Metamorphosis Foundation on December 1, 2010.

In partnership with the Ministry of Information Society (MIS), the Project organized four workshops for MIS representatives and representatives of other state institutions that are implementing e-government solutions. The workshops were organized as part of the activities aimed for capacity building of the MIS staff and covered several topics vital for successful e-government development, such as: e-Documents Exchange, IT Security and IT Standards, IT Policies and Procedures, Multi Sector cooperation – key to successful e-government, etc.

In parallel, the Project continued to technically and/or financially support the development, improvement and promotion of functions for its four most important G2B applications: e-procurement, EXIM, Online system for Registration of Employments (ORE system) and e-tax services.

On December 9, 2010, the Project was approved for a three months no-cost extension with a new end date of April 30, 2011. This period will be used for successful completion of all planned activities under the Project’s Work Plan and activities planned as part of the Sub-grant Agreement with Metamorphosis Foundation. Furthermore, the extension will allow more time for Metamorphosis to better promote its eGov component and raise funds for continuation of these activities.

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<sup>1</sup> More information on the sub-granting process was provided in the previous quarterly report.

Other achievements this quarter include:

- Four workshops on topics related to the successful implementation of e-government services for MIS and several government institutions that are initiating and working on implementation of various e-government services as part of the National e-Government Strategy, organized and conducted. **355** participants attended these workshops;
- Three trainings and presentations attended by **62** participants were held to encourage the potential users from the agricultural sector and Agencies for Temporary Employments to use the functionalities of the ORE system;
- Functionalities/web services needed for the integration of the EXIM system with the Customs Declaration Processing system (CDPS) were defined/agreed upon, and the second Annex to the Contract for the upgrade of the EXIM system, as part of the second phase development signed;
- New concept of e-auction (e-auction when economically most advantageous offer has been selected as a criterion) as an upgrade to the integrated e-procurement system, developed, tested and launched;
- Daily support for largest G2B applications implemented through the Project provided;
- The e-Government Manual, which covers all the stages for implementation of e-government services aimed for the representatives of the MIS and other government institutions that are implementing e-government services, published and promoted.

During this period, all Project applications were fully operational and have continued to function in a stable and sustainable manner as shown by the increase in usage, thus becoming crucial tools both for the institutions that manage them and the end users.

## Activities Related to e-Government Development

### Project Objectives

Activities implemented this quarter were aimed at improving the quality of the services provided by applications developed by the Project, increasing their usage and supporting their sustainability. In addition, the Project focused on strengthening the relationship with the Ministry of Information Society (MIS) and increasing the capacity of the Macedonian administration to continue to widely use e-government as a tool for more transparent and efficient public services.

### e-Gov Applications

The following section provides details regarding conducted activities to support each application. The applications for which no changes occurred are referenced in a final section indicating no change in status.

The individual status of all activities under the latest Work Plan<sup>2</sup> of the Project is given in Annex 1 to this document.

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<sup>2</sup> Work Plan approved with the no-cost extension request.

## Export/Import Licenses and Quotas - EXIM

Many activities aimed to upgrade and improve the EXIM system and its integration and communication with other systems have been undertaken during this quarter.

The development of the web service for data exchange between the EXIM and TracesLike system of the Veterinarian Directorate (VD) took off rapidly in October, when several working meetings between all parties involved in this project were held. VD has created and provided the necessary data for the developer of the TracesLike, necessary for the development of their web service for data exchange with EXIM. The first data between these two systems shall be exchanged at the beginning of 2011.

There has also been progress in integrating the EXIM system with new Customs Declaration Processing system (CDPS). The data that are mutual and required in both systems and are submitted only through one of the them (mainly through EXIM) and are to be exchanged through the web services required for the integration of the CDPS and EXIM, has been determined during several coordination meetings held throughout the quarter. As a result, on November 29, 2010, the Project has signed the second contractual annex with the software developer for the EXIM system upgrade. Specifically, this includes the: Interface with the CDPS, upgrade of the reports by tariff numbers, change in the communication with T-Home regarding LDAP server for digital certificates and implementation of new features relating to the Fallback procedure.

On December 6, 2010, the EXIM Working group met with the representatives from the Ministry of Transport and Communication (MTC), Cargo and Passenger Transport Departments, to discuss possible modifications to the developed software module for their use. Since this module has features that should be used by the border passages, there was a need for a broader working meeting that included representatives of the customs officers. As a result, representatives from Bitola, Shtip and Skopje outposts were also invited to attend the meeting at which the final version of the software was determined and specification was sent to the developer. Some of these modifications/additions along with some other determined improvements (like the new version of the license forms) are included into the last annex to the Contract to be signed during the next quarter.

During this quarter, the EXIM Working group worked on drafting the modifications of the EXIM Regulation, which after few meetings with the participating institutions and the Director General of Customs Administration were finalized in December 2010, and sent to the Government for adoption. The new EXIM Regulation reflects some changes in the registration procedure and form to provide for more efficient process, inclusion of other state institutions to be EXIM users, providing legal basis for the Customs Administration to adopt measures related to the unimpeded functioning of the EXIM system, as well as other minor modifications necessary to facilitate the EXIM use.

On November 8, 2010, the eGov Project published a tender for the IT Security Audit of the EXIM system. The deadline for submission of bids was November 26, 2010. The Project received 9 high quality bids. After the detailed evaluation process, the Project's internal evaluation team selected the auditing company *Deloitte doo* to conduct the IT Security Audit. It is expected that the auditing process of the EXIM's IT security will start on January 10, 2011 and will be completed by the end of January 2011.

As advised by the Project, a meeting between the Customs Administration and the EXIM software developer was held to discuss the conditions for signing a maintenance contract i.e. Service Level Agreement for the upcoming year, especially after the eGov Project closes. It is advisable that such

contract is signed between these two parties since the EXIM system is extensively used by the economic operators and requires frequent modification that reflect legal changes and changes of authorities.

Per request of the Customs Administration Director General Vanco Kargov, meeting of the broader EXIM Working group, with the representatives from all 15 institutions, software developer and the eGov Project was held on December 23, 2010, at the premises of the Customs Administration. This meeting was initiated after the adoption of the “Information on the accomplishments of the second phase of EXIM upgrade, including Quarterly Status Report (QR that the EXIM Working Group prepares for the Director General and the Government)” by the Government on December 14, 2010. This meeting also served as a planning meeting for activities for the upcoming quarter.

The evaluation of the EXIM system was finalized during this quarter. The results are discussed in greater details in the evaluation status report, which shall be submitted to USAID for approval in early January 2011.

The latest statistics show that the usage of the EXIM system is constantly increasing. Companies use EXIM online more and more daily, instead of submitting license request to specific institutions in paper. By the end of this quarter, **80%** of all applications for import/export licenses (86,066) in Macedonia have been submitted by the companies electronically (68,647). The statistics of the EXIM usage for this quarter is as follows:

- **549** economic operators registered to use the system, a 5.3% increase from the 521 registered users by the end of the last quarter;
- As of November 2008, the system processed a total of **86,066** licenses, out of which **13,712** licenses were processed during this quarter. Out of these 13,712:
  - **12,385** requests were submitted online by companies/economic operators. This number shows that more than **90%** of the total number of export/import licenses were submitted electronically and directly by the companies during this quarter;
  - **1,327** requests for licenses were submitted (transcribed from paper) in the system by government institutions, i.e. only 10% of the total number of export/import licenses was submitted by government institutions.
- After the official launch, users submitted a total of **10,940** requests for tariff quotas through the system, out of which **3,213** requests were submitted and processed during this quarter.

### **Online Employment Registration (ORE system)**

Following the finalization of all modules identified with the latest upgrade of the ORE system, the Project conducted an in-house testing of the upgraded software application in October 2010. A few representatives from the largest Agencies for Temporary Employments (ATE) were invited to test the software application prior to final acceptance of the new modules and functionalities aimed for registration and termination of employments for third parties.

After it was confirmed that the developed modules and functionalities match the requirements of the Employment Service Agency (ESA) and the ATE, the upgraded version of the ORE system was officially launched on November 15, 2010.

Prior to the official launch of the upgraded ORE system, the eGov Project has organized and conducted a specialized training for all 30 Agencies for Temporary Employments licensed by the Ministry of Labor and Social Policy. This training was conducted on November 3, 2010, at the Chamber of Commerce. At the training, ESA representatives, who have contributed to the detailed and specialized training regarding the ORE usage and legal obligations of the ATE, were present as well.

After the official launch of the upgraded ORE system, the eGov Project has been intensively working on providing on-site and telephone assistance to the ATE, which were very enthusiastic about the use of the newly developed functionalities.

The trainings that were planned and organized in cooperation with the USAID/AgBiz Project based on the MoU signed on September 7, 2010, targeting employers from the agricultural sector, have been completed during this quarter, by providing the last two trainings, one held in Shtip on October 25, 2010, and the other held in Skopje on November 25, 2010. The training held in Skopje was additionally supported by the Union of Chambers of Commerce which invited their members to be present at the training. More information on the trainings is provided below and in the Trainings section.

Due to the changes in the top management structure of the ESA, the launch of the functionalities developed for Inspectors from the State Labour Inspectorate (SLI) were postponed. The eGov Project team met the new Director of the ESA, Mr. Vlatko Popovski on December 9, 2010 and the issue of the SLI was raised again. The new Director was very positive and willing to introduce the newly developed functionalities for the Inspectors and promised that he will sign a MoU with the Director of the SLI and make launch of the functionalities official. He also expressed his satisfaction using the ORE system thus far, and his willingness to focus on promotion of this service in the near future.

Below are the statistics from the use of the ORE system by the end of this quarter:

- From April 2010, when the system was reset, till the end of December 2010, **212** companies re-registered within the system, which represents an increase of 22% compared to the previous quarter (173);
- From April 2010, when the system was reset, till the end of December 2010, **2,893** physical persons re-registered within the system, which represents an increase of 46% compared to the previous quarter (1,977);
- The number of total online transactions completed during this quarter is **8,354**, out of which **4,313** are newly registered employments and **4,041** are registrations of terminated employments. The total number of online transactions has increased for around 34% compared to the previous quarter (6,249).
- The number of registered ATEs since the launch of the upgraded ORE system (November 15, 2010) is 7. These 7 ATEs have processed **563** transactions by the end of December 2010.

## e-Procurement

*Software modifications:* These past three months have been spent on intensive development and testing of major changes in the e-Procurement software application. Among these changes are: a new home page, the option to cancel published contract notice and the already launched procurement procedure at any stage, the option to change some elements in the published contract notice that allows for various procedure scenarios in later stages and above all, the introduction of a new manner of conducting e-auctions (e-auction when economically most advantageous offer has been selected as the criterion). eGov Project team was heavily involved in drafting the technical specifications, monitoring the development process, testing and resolving the ongoing technical issues. In addition to the daily e-mail and phone communication, there were regular working group meetings on weekly basis. It is expected in the next quarter, these modifications will be fully functional and facilitate the work of the system users. It is also expected that some other contracted software modifications are developed and installed by February 2011.

*Legal modifications:* The six legal acts outlining the rules and measures for personal data protection in the e-procurement system have been adopted by the Director of the Public Procurement Bureau (PPB) in October 2010. These acts introduce tight organizational and technical measures that should increase the security of the system and users' confidence. The work of the eGov Project on the amendments to the e-Procurement bylaw, which started in the previous quarter, has been finalized. It is expected that the amendments will be implemented starting in early January 2011. The amendments introduce fallback procedure, clear and precise rules for signing electronic documents and new rules relating to the manner of conducting e-auctions.

*Assistance to the PPB and e-Procurement users:* The eGov Project procurement experts were providing online and onsite support and recommendations to e-procurement users on how to use the system throughout the entire quarter. The Project assisted in identifying problems encountered by users and reported them to the software developers for technical issues and to PPB for legal issues, and followed up ensure that these issues have been resolved and implemented. USAID projects that support the work of the Public Procurement Bureau (PPB) had several meetings to coordinate their activities and check the status in their implementation. The most visible products of these meetings and coordination will be the modified rules and programs for the Public Procurement Training Center, Action Plan for the implementation of the e-procurement system in 2011-2012, and strengthened capacities and skills of the PPB employees. First version of the Action Plan for Development of the e-Procurement 2011-2012 has been prepared by the eGov Project and discussed with PPB. It is expected that this Action Plan will be finalized in early January 2011 and will lead the work of PPB in regards to the e-Procurement for the next couple of years.

*Training and Promotion of the e-Procurement system:* **Eight** one-day trainings on the use of the e-Procurement system were delivered within the Public Procurement Training Center. A total of **164** representatives of the public and private sector attended the trainings. Two of these trainings were delivered by eGov Project experts. PPB and eGov Project have jointly presented the e-Procurement system to the Estonian delegation composed of Government officials working in the field of e-government and ICT, who have paid a 3-day visit to Macedonia. Estonia is about to introduce an e-Procurement system and through this visit, the delegation learned valuable information about certain aspects and features of the system. Elena Stamoska, the CoP of the eGov Project and 2 representatives of PPB, Marija Jovanoska and Goran Bogdanovski, attended a 1-day e-Procurement conference held in Brussels on 25 November 2010, organized by ePractice web portal run by the European Commission. The conference was a good opportunity for the Macedonian representatives to learn the new e-Procurement developments within EU and share their experiences.

*Upcoming activities and events:* Four presentations for around 800 representatives of contracting authorities and economic operators will be organized in mid January 2011. The aim is to inform them on the latest technical and legal modifications and novelties relating to the e-Procurement system. Updated version of the e-Procurement manuals will be published online by the end of January 2011.

Below are statistics demonstrating the usage of the e-procurement system for this reporting period:

- Number of registered contracting authorities (CAs): **1,083** i.e. 100% of all CAs in the country are registered and use the system.
- Number of registered economic operators (EOs): over **2,100** different companies, representing 11.4% increase compared to the previous quarter (**1,885** companies). This number is continuously increasing.
- Number of published contract notices: **1,666** contract notices were prepared and published during this quarter, out of which 154 contract notices are for electronic procedures (9.2% of the total number of contract notices) and 411 for procedures that are e-auctioned (24.6% of the total number of contract notices).
- Published contract award notifications: **3,905**, an increase of 79% compared to the previous quarter (2,194). This increase is due to the newly implemented functionality in the system, which prevents the contracting authorities from publishing new contract notices if they didn't publish contract award notifications for already closed public procurement procedures within the legal deadlines, which is 30 days after the decision for selecting the best bidder.
- Number of e-procurement procedures: **154** or 9.2% of the total number of public procurement procedures have been carried out electronically, which represent an increase of 64% compared to the previous quarter (99).
- Number of e-auctions: **411** (337 direct auctions – first phase of the procedure carried out in paper, and 74 auctions as a last phase in electronic procedures) or 24.6% of the total number of tenders end up with e-auction, which represents an increase of 64% compared to the previous quarter (264).
- The use of the e-auctions continued to provide great savings of public funds. Savings gained by e-auction (calculated based on the difference between the starting price of the auction and the contracted price) during this quarter are: 125,810,992.22 MKD, i.e. **\$2,676,830** (currency rate \$1=47 MKD) or around **7% savings** of the taxpayers money, representing around 42% increase compared to the last quarter (\$1,776,683).

## e-Tax Services

During this quarter, the eGov Project held several coordination meetings with the Public Revenue Office (PRO) and software developer, where the need for few more minor upgrades to the system has been discussed. As a result, the Project will sign one more and last Annex to the Contract with the software developer and finalize the financial support to the PRO regarding the implementation of the e-tax services application. The Annex shall be signed at the beginning of the next quarter and will include a new module for recovery of forgotten passwords and re-programming and improving part of the functionalities which are impeding the use of the system as a result of its increased usage.

In addition, the Project has recommended that the PRO signs a Service Level Agreement (SLA) or similar agreement for maintenance of the e-tax services with the software developer to ensure smooth and uninterrupted functioning of the entire system after the closure of the eGov Project. After several meetings and negotiations, it was agreed that the SLA will be signed between the PRO and software developer for a period of one year (until the new version of the software is installed), starting as of January 1, 2011. The expenses for the system maintenance shall be covered by the PRO.

The tender for upgrading the e-tax services application, which was published through the Ministry of Information Society (MIS) in the last quarter, has been cancelled on November 11, 2010 for the second time. The main reason for cancelling the tender was that the bids received were unsatisfactory and not in line with the tender requirements, but were also exceeding the budget limits of the MIS. On November 18, 2010, MIS has re-published the tender once again. The new deadline for submission of bids is January 26, 2011. The novelty in the last release of the tender is the publication of the estimated value for the procurement subject, so it is expected that this time the tender will be successfully conducted. The eGov Project is not involved in this tendering process.

The new Rulebook on the manner of (drastically simplified) registration to use the e-tax system has been adopted by the Minister of Finance in October 2010. The new registration procedure allows for companies to submit their registration requests directly to their regional offices. As a result, the number of new registration requests has increased more than three times.

During the 8th Fair for Finances, Business Possibilities and Economic Development FINEXPO 2010 held on December 2, 2010, which brought together stakeholders from the financial sector and the business community, the PRO has delivered a training on the topic “e-Taxes – Electronic submission of tax returns” which provided information on: electronic submission of tax returns; electronic insight in tax card; and registration procedure and receiving identification code for e-taxes. Present at the event were 72 attendees, mostly representatives from the accounting bureaus.

During this quarter, the PRO continued to deliver trainings and presentations to the taxpayers on how to use the e-tax services to boost the use of the system. In addition to the above mentioned event, **78** trainings attended by around **1,950** taxpayers have been organized and delivered by the PRO and its regional offices during this reporting period (26 trainings per month, each attended by 10-30 participants). This once again shows that the PRO continues to promote the e-tax services application independently, i.e. without the Project’s support.

As a result of the intensive promotional activities carried out by the PRO to increase the use of the e-tax system and adoption of the new Rulebook on simplified registration process in the system, the number of users of the system and tax returns submitted electronically is continuously increasing. Below are the latest statistics on the use of the system:

- At the end of December 2010, the number of registered companies (taxpayers) of the system had reached **6,528**, an increase of more than three times compared to the previous quarter (1,823). This number shows that by the end of December 2010, around **11%** of all legal entities eligible to submit tax returns have registered on the system (our target being 5% by the end of 2010).
- The number of tax returns submitted through the system by the end of this quarter totaled **25,141**, an increase of around **7%** compared to the previous quarter (23,430).

## Other Applications

No changes have occurred with regards to the Apply Online, Site Builder, e-Budgeting, Application for Distribution of International Transport Licenses (CEMT), e-Health Registers and Accountability through Transparency applications during this quarter. They are all operative and functional, contributing to the efficiency and transparency in their respective areas.

## Results achieved through the end of December 2010

The table provided in Annex 2 to this document displays the results achieved by the eGov Project through the end of December 2010, compared against the indicators set in the latest Work Plan.

## Other Initiatives by the eGov Project

### Assistance to the Ministry of Information Society (MIS)

During this quarter, the Project continued to cooperate with and support the MIS across various initiatives.

Following the selection of Mr. Umar Amjad, Ph.D from Harrisburg University in Pennsylvania and his team of experts, to deliver consultancy services for the e-Documents Exchange Project, the e-Gov Project prepared for the onsite work which was carried out throughout the October 4, 2010 week. During his visit to Skopje, Mr. Umar delivered a one day workshop on October 5<sup>th</sup>, 2010, for the working group involved in the e-Documents Exchange Project. After the workshop, Mr Umar continued the onsite consultancy, along with a member of his team, an expert from the University in Padova, Italy, Mr. Adalberto Zordan.

Following the onsite visit by Mr. Umar, the final Consultancy Report was submitted on November 8, 2010. This report is considered as firm basis for undertaking further actions by the MIS team in the process of implementing the e-Documents Exchange Project and consists recommendations on how to proceed with the implementation of the project, including recommendations on the project management, technical specifications for the hardware and software, etc.

The cooperation with the MIS team regarding the e-Documents Exchange Project continued after consultancy services have been provided. The eGov Project team supported the MIS in the process of organizing and conducting this project by using the PMI methodology and by offering daily support such as developing of a communication plan, analysing the legal framework, assisting in reviewing technical specification for the procurement of the software and following the implementation of the project on a daily basis.

As part of the activities planned for the capacity building of the MIS staff, the Project organized four workshops on various topics related to the successful implementation of e-government services aimed for the representatives of the MIS and several government institutions that are working on implementation of various e-government services within the National e-Government Strategy. The four workshops conducted during this quarter are the following:

1. E-Documents Exchange Project – a one day workshop mentioned above and organized as part of Mr. Umar's visit to Skopje held on October 5, 2010 at the Holiday Inn Hotel.

2. IT Security (standards, audits) held on October 27, 2010 in the Parliamentarian Club.
3. IT Policies and Procedures (privacy policy, Service Level Agreements, copyrights) held on November 10, 2010 in the Parliamentarian Club.
4. Round table titled “Multi Sector Cooperation - Key to Successful e-Government Implementation” within the Sixth International Conference e-Society.Mk on the topic of “e-Government for Increased Efficiency and Transparency” held on December 1, 2010. Mrs. Rozalinda Stojova, Head of division for monitoring and coordination of the e-society development within the MIS, held a 10 minutes presentation at the Conference within the first session titled *Sharing Best Practices in e-Government*. As a representative of the MIS she has presented the current and future activities of the MIS aimed at development of e-Government environment in Macedonia.

The Project along with the MIS team has prepared and delivered a specially designed Questionnaire to all participants at the workshops. The purpose of collecting answers from the Questionnaire was to evaluate the quality of the workshops and estimate the need for further organization of such workshops. According to the results of the Questionnaire, the quality and usefulness of the workshops was noted as very high; the topics that were elaborated were praised as extremely helpful for current and future operation; and the need for further organization of such workshops was clearly demonstrated.

### ***e-Commerce analyses***

As reported in the previous Quarterly Report, the Project has engaged Darko Janevski and his consultancy company ACT! to prepare the report on the e-commerce situation in Macedonia, as requested by MIS. The work on the report was completed during this quarter. The report contains findings on the current e-commerce situation in Macedonia and recommendations for taking measures for its improvement. In general, there has been some progress in this area in the last couple of years, but still the number of domestic online merchants and online transactions is very low. Organizing a campaign that will involve all the stakeholders and increasing the popularity of e-commerce amongst off-line merchants and customers, modifying some laws and regulations, introducing possibility for online provision and payment of Government services are among the key recommendations.

The draft analysis on e-Commerce in the Republic of Macedonia was presented to the Minister of Information Society Ivo Ivanovski, who requested clarifications and additions. The final report was provided to the Ministry and published on the eGov Project web site at the end of November 2010. As a result of this report, MIS has prepared recommendations and submitted them to the Government. Presentation for the stakeholders will be organized in January 2011.

### ***e-Government Handbook***

During this quarter, the Project finalized and published the e-Government Handbook entitled “Fundamentals and Development of e-Government,” which covers the basics of e-Government and all the stages of implementation of e-government services. The handbook was promoted during the first session of the e-Society Conference held on December 1, 2010, at the Holiday Inn Hotel in Skopje. More information about the Handbook is provided in section Publications and Other Project Material.

## **Integrated municipal system for management of construction land**

Initiated by USAID/Macedonian Local Government Activity Project (MLGA) and followed by an introductory meeting held in September, the eGov Project and the MLGA have been closely working together to prepare a system description for procurement of a software application for acquiring municipality-owned land for the 86 Macedonian municipalities.

During the last couple of months, the eGov Project assisted the MLGA in drafting a proper system description of the requested software solution and also participated in a Q&A meeting with interested bidders, where assisted in providing best answers to the bidders regarding the development of the software application.

After the bidding period for procurement of the software was closed, the eGov Project assisted the MLGA in evaluating the bids and selecting the best candidate to develop software application for selling and renting municipality-owned land, as well as in drafting and signing the contract.

## **Copyrights and ownership over source codes**

In 2010, the issue of copyrights over the source codes of the developed software applications has emerged and gained attraction. The eGov Project has addressed this issue to USAID in order to have a clear position what can be further done with the source codes by other entities, such as Metamorphosis and beneficiary institutions, to which the source code have already been or will be handed over. Due to the importance of this issue, the eGov Project decided to continue working with the aim to raise awareness among the stakeholders. For that purpose, presentation on copyrights has been delivered at one of the workshops organized jointly with the MIS. The presentation and the subsequent discussion showed that there are many ambiguities and lack of knowledge among the persons involved in e-government and ICT projects.

eGov Project has started and will provide the following support:

- Draft a model Contract for procurement of software application development, where the copyrights are well regulated. This activity should be a joint effort of the eGov Project and the PPB, and should also involve other interested parties and possibly experts in this field;
- The eGov Project legal expert is assisting Metamorphosis in their efforts to localize the Creative Commons 3.0 licenses; and
- The eGov Project legal expert is assisting other USAID projects (MLGA) and state institutions in drafting or interpreting software copyright provisions in the procurement contracts.

## Other Activities

### Monitoring and Evaluation

During this quarter, the Project conducted an evaluation on the EXIM system, e-procurement and e-tax system. Feedback from randomly selected system users (business community/ user institution) were collected using SurveyMoneky.com.

The evaluation of the satisfaction of EXIM users demonstrates that the system meets the goals of simplifying the licensing process and reducing the costs for the benefit to the business community. The vast majority of surveyed companies do not face technical problems when using EXIM, though they have numerous suggestions on how to improve the system's administrative and organizational aspects.

The very significant increase in usage of the e-Procurement system, in combination with the overall user satisfaction of the system, demonstrates that the system functions very well. The noted savings in public funds and the reported increase in trust of public procurement also confirm that the system has met the objectives set out when the eGov Project undertook the task of developing the system.

The survey of the e-Tax system users, confirmed by the additional external indicators, provides strong evidence that the system has well served its purpose and thus contributed to an improved operating environment for the business community.

### Public Events

The eGov Project supported the 6<sup>th</sup> International Conference e-Society.MK that took place on December 1, 2010. This year, the conference focused on the role of e-government services to increase efficiency and transparency of the public administration.

The Conference was attended by approximately 220 domestic and foreign participants, representatives of the relevant government bodies, civil society and business sector. 16 domestic and 3 foreign representatives had presentations during the 3 working sessions, which were followed by active discussions. A final session of the conference was devoted to a round table on "multi-sector cooperation - key to successful implementation of e-government."

USAID Mission Director Michael Fritz spoke at the session on presenting the best practices in designing and implementing e-government services. Mr. Fritz presented the "**Fundamentals and Development of e-Government**" a new handbook designed to share USAID's experiences, lessons learned, and problem solutions developed together with the eGov Project's partners while implementing a variety of e-government services over the past six years. The handbook was published in cooperation with the Ministry of Information Society through the eGov Project and is available electronically in both English and Macedonian languages at [www.egov.org.mk](http://www.egov.org.mk).

On December 2, 2010, the Macedonian weekly newspaper "Kapital" published a statement that the eGov Project's CoP Elena Stamoska gave right after the e-Society Conference and called her e-Leader of Macedonia. This indirectly, once again, proves that the activities of the eGov Project have strong influence on the development of the IT sector in the country, which is a great success both for the Internews Network as the implementer of the Project and for USAID as the donor.

## Trainings

During this quarter, the Project in cooperation with the USAID/AgBiz Project, Union of Chambers of Commerce and Employment Service Agency delivered three detailed trainings and presentations about the ORE system and its upgraded functionalities. The total number of participants on the trainings is around **62**. Below are the details of the individual trainings:

- The first two trainings organized in cooperation with the USAID/AgBiz Project and Union of Chambers of Commerce took place on October 25 in Shtip and on November 25 in Skopje, where around **30** representatives of the agro business sector, but also from the accounting services bureaus, were introduced with the functionalities of the ORE system.
- On November 3, 2010 the eGov Project has organized and conducted a specialized training for all 30 Agencies for Temporary Employments (ATE) licensed by the Ministry of Labour and Social Policy in the Republic of Macedonia (RoM). The training was held at the Chamber of Commerce of the RoM and was attended by **32** representatives from the ATE. Also present at the training were ESA representatives, who have contributed to the detailed and specialized training regarding the ORE usage and legal obligations of the ATE.

In addition, the Project organized four workshops on various topics related to the successful implementation of e-government services for the representatives of the MIS and several government institutions that are initiating and working on implementation of various e-government services. The workshops were attended by **355** participants. Below are the details of the individual workshops:

- E-Documents Exchange Project – one day workshop organized within the frames of Mr. Umar’s visit to Skopje held on October 5, 2010 in Holiday Inn. 35 representatives of MIS and other state institutions were present at the workshop.
- IT Security (standards, audits) – one day workshop held on October 27, 2010 at the Parliamentarian Club attended by 50 representatives from the MIS and state institutions.
- IT Policies and Procedures (privacy policy, SLA, source codes and ownership rights) – one day workshop held on November 10, 2010, at the Parliamentarian Club attended by 50 representatives from the MIS and other state institutions.
- Round table titled “Multi Sector Cooperation - Key to Successful e-Government Implementation” within the Sixth International Conference e-Society.Mk on the topic of “e-Government for Increased Efficiency and Transparency” held on December 1, 2010. 220 representatives from the MIS, state institutions and private sector were present at the workshop.

During this reporting period, PPB through its Training Center delivered **8** detailed trainings on how to use the e-procurement system and electronic auctions to **164** representatives of various contracting authorities and economic operators.

The PRO has continued to deliver trainings and presentations to the taxpayers on how to use the e-tax services. **79** trainings/presentations attended by around **2,000** taxpayers were delivered by the PRO and its regional offices during this reporting period.

Training type	Number of participants	Date/Venue	Organizer
1-day workshop on e-Documents Exchange Project	35	05.10.2010, Skopje	eGov Project/Metamorphosis/MIS
1-day training on how to use the ORE system for representatives of the agro business sector	10	25.10.2010, Shtip	USAID/AgBiz Project/ eGov Project
1-day workshop on IT Security (standards, audits)	50	27.10.2010, Skopje	eGov Project/Metamorphosis/MIS
Presentation on how to use the ORE system for Agencies for Temporary Employments	32	03.11.2010, Skopje	eGov Project/Employment Service Agency
1-day workshop on IT Policies and Procedures	50	10.11.2010, Skopje	eGov Project/Metamorphosis/MIS
1-day training on how to use the ORE system for representatives of the agro business sector	20	25.11.2010, Skopje	AgBiz /eGov Project /Union of Chamber of Commerce
e-Society Conference (e-Government for efficient and transparent Government)	220	01.12.2010, Skopje	eGov Project/Metamorphosis
Eight one-day trainings on how to use the e-procurement system for representatives of contracting authorities and economic operators	164	Oct./Dec. 2010, Skopje	PPB Training Center
<b>Total number of trained individuals for this quarter:</b>	<b>581</b>		

***Gender status on the USAID/eGov Project Trainings (January – December, 2010)***

Training	Male	Female	Total trained
Project management training (PMI)	16	19	35
e-Procurement for economic operators	156	145	301
e-Procurement for contracting authorities	116	104	220
Presentation of the ORE system on a Round table organized for the agricultural sector employers	9	15	24
Presentation of the ORE system for the HR Management	16	43	59
Presentation of the ORE system aimed for ESA employees	5	14	19
4 Presentations of the ORE system for representatives of the agro business sector (Strumica, Shtip, Kavadarci, Skopje)	30	37	67
Presentation of the ORE system for HR managers	70	80	150
Presentation of the ORE system for seasonal employers	14	6	20
Presentation of the ORE system for Agencies for Temporary Employments	10	22	32
Three workshops organized for capacity building of MIS	83	52	135
e-Society Conference	110	110	220
<b>Total :</b>	<b>635</b>	<b>647</b>	<b>1,282</b>

## Publications and Other Project Material

On December 1, 2010, the Project published and launched the “**Fundamentals and Development of e-Government**” – a handbook designed to share the eGov Project’s experiences, lessons learned and problem solutions developed along with the Project’s partners while implementing a variety of e-government services over the past six years. The handbook was published in cooperation with the Ministry of Information Society and is available both in hard copy and electronically. 500 copies of the Macedonia-language version and 100 copies of the English-language version have been printed and distributed during the e-Society Conference. The electronic versions of the Handbook in both English and Macedonian languages are available at the Project’s website: [www.egov.org.mk](http://www.egov.org.mk).

## Contracts/Subcontracts

- November 25, 2010 - Annex 2 to the Contract for the second phase of the EXIM upgrade enabling integration with the CDPS system signed between the eGov Project and software developer *Ultra*;
- December 9, 2010 – The last modification of the Cooperative Agreement was signed between Internews Network and USAID. The purpose of this modification was to extend the Cooperative Agreement by three months by changing the estimated completion date from February 1, 2011 to April 30, 2011, to incrementally fund the Project by \$57,129 and realign the budget.
- December 29, 2010 – Contract for IT Security Audit of the software application for import/export licenses and quotas online (EXIM system) signed between Metamorphosis Foundation and Company for Audit, Consulting and Tax Services DELOITTE dooel Skopje;
- December 31, 2010 – The Project signed amendment 4 to the Contract with the consultancy company ACT! for extending the contract for additional three months, as a result of the no-cost extension approved by USAID;

## Memoranda of Understanding

No Memoranda of Understanding have been signed during this reporting period.

## External Relations and Meetings

### Participation in Conferences

Members of a European delegation, the group responsible for the policy and process of establishment of the single window concept in the EU and its tentative members, were guests of the Macedonian Customs Administration between 6 and 8 October in Skopje. Macedonia was again praised as one of the leaders in following and developing this concept.

The eGov Project Chief of Party presented the work of the Project and the impact it had on e-government development in Macedonia at the 8th SEEITA – 7th SEE ICT Forum Meeting & 7th MASIT Open Days Conference held in Ohrid on October 14-15, 2010. The presentation was

attended by around 30 representatives from various institutions that work in the ICT area and has received many positive comments from the participants.

The eGov Deputy CoP, Darko Janevski took part at the regional Conference titled as "IP as an investment" held in Belgrade, Serbia, on October 27, 2010 and organized by Agency Front. The growing importance of the intellectual property rights was the main topic of the conference, which featured presenters known worldwide.

The eGov CoP, Elena Stamataska along with two representatives from the Public Procurement Bureau attended a conference organized by the European Commission (DG internal Market and Services) on sharing best practices and lessons learned from the implementation of e-procurements, which was held on November 25, 2010, in Brussels. Most of the participants at the conference were familiar with the Macedonian e-procurement system and expressed interest to learning from the Macedonian experience. As a result, an exchange visit shall be organized between the Norwegian delegation and Macedonian Public Procurement Bureau, when the lessons learned from the implementation of the two e-procurement systems will be shared.

### **Meetings with Macedonian Officials**

Since all applications were developed in close cooperation with the relevant national institutions, the Chief of Party and project staff had regular meetings with the directors and other high-ranked officials from the Ministry of Information Society, Public Procurement Bureau, Customs Administration, Public Revenue Office, Employment Service Agency and other agencies in order to coordinate the implementation of activities.

On November 25, 2010, the eGov Project's DCoP, Darko Janevski and eGov CTO, Tanja Markovska, met the Minister of Information Society, Mr. Ivo Ivanovski to present the e-commerce report prepared with the Project's support and discuss the findings and recommendations deriving from the analyses of the e-commerce situation in Macedonia.

### **Coordination with Other USAID Projects**

- During this quarter, the Project continued to work with the USAID/AgBiz Project on the promotion of the ORE system for the employers from the agricultural sector.
- The Project has closely collaborated with the USAID-funded Macedonian Local Government Activity Program (MLGA) on the implementation of a software solution for acquiring municipality-owned land for the 86 Macedonian municipalities. The Project assisted in the process of drafting the technical specifications and evaluation of bids received.
- Several coordination meetings were held during this quarter between the USAID-funded Business Environment Project (BEA), eGov Project and Human and Institutional Development program (World Learning) regarding the support they all give to the Public Procurement Bureau. The purpose of these meetings was to coordinate the activities of the three projects and check the status in their implementation. The most visible results of these activities will be the modified rules and programs for the Public Procurement Training Center, Action Plan for the implementation of the e-procurement system in 2011-2012 and strengthened capacities and skills of the PPB employees.

## **Coordination with Other International Donors**

There was no coordination with other International Donors during this quarter.

## **Cooperation with Private Entities**

The Project maintained regular contact with all private entities involved in the development and auditing of its applications.

## **Administrative and Internal Operational Matters**

During this quarter, the Project focused on preparing all the necessary documents for providing a no-cost extension period for additional three months.

On December 9, 2010, the eGov Project's no-cost extension request was officially approved. The new end date of the Project is April 30, 2011. However, all the activities planned with the latest Work plan of the Project will be completed by the end of March 2011 at the latest.

The no-cost extension period will be used for the successful completion of all activities planned in the most recent Work Plan of the Project and activities planned as part of the Sub-grant Agreement with Metamorphosis Foundation. In addition, this next period will enable the eGov Project to further influence and support the development of the e-government applications implemented through the Project and shall create space for long-term sustainability in the e-government sphere, as part of the Projects' Sustainability plan. The extension will allow more time for Metamorphosis to better promote its eGov component and raise funds for continuation of these activities.

## **Planned activities for next quarter**

- Follow up and finalize the implementation process of the functionalities developed as part of the second phase EXIM development;
- Sign last Annex (Annex 3) to the Contract for the second phase of upgrade of the EXIM system, which will cover all the remaining and necessary upgrades to the EXIM system;
- Conduct the IT Security Audit on the EXIM system and share the audit results with the Customs Administration;
- Follow up the implementation process of the upgraded version of the ORE system;
- Organize and deliver detailed training on how to use the new module of the ORE system for the representatives of the Inspectors from the State Inspectorate of Labor and possibly for the specific targeted companies from the private sector;
- Continue to provide support to the economic operators and contracting authorities on how to properly use the integrated e-procurement system;
- Update the Instructions on how to use the e-procurement system for contracting authorities and economic operators, which shall be promoted during January, i.e. after the launching of the new upgraded version of the e-procurement system, including the new concept of the e-auctions;

- Organize and conduct four presentations/trainings on the functionalities that shall be introduced with the new upgraded version of the e-procurement system aimed for the contracting authorities and economic operators;
- Assist in and follow the implementation of the e-Documents Exchange and Interoperability MIS projects;
- Organize promotional event on the analyses of the e-commerce situation in Macedonia;
- Organize and conduct the General final evaluation on the eGov Project activities;
- Submit the Individual Status Reports on the EXIM, e-procurement and e-tax systems to USAID.
- Organize the close out event of the Project.



**ANNEX 1**

**Work Plan Implementation Matrix\_ status report**  
*October 2010 - April 2011*

<b>Cooperation with the Ministry of Information Society</b>					
<b>Activity</b>	<b>Implementation period</b>	<b>Partner Institution</b>	<b>Responsible person</b>	<b>Expected results</b>	<b>Status/Comments</b>
Promotion of the Manual on all the stages of implementation of e-government services and its distribution to relevant institutions	December 1, 2010 (as part of the e-Society Conference)	MIS	Vanja Mirkoski	Increase the capacity of MIS and other relevant institutions for e-government development by providing them with a specific tool for future reference	<b>Completed</b>
Organize workshops on various topics relevant for e-government development (IT Security and Policies and Procedures for proper implementation of e-government services)	October 27, 2010; November 10, 2010; December 1, 2010	MIS	Kralja Cesmadziska, Ana Marija Nesovic, Vanja Mirkoski, Darko Janevski, Elena Stamatoska	Increased knowledge and awareness of participants on the related topics	<b>Completed</b>
Provide mentoring to MIS staff in the implementation of the e-Documents Exchange Project (using the PMI methodology)	October 2010 – March 2011	MIS	Kralja Cesmadziska, Ana Marija Nesovic, Darko Janevski	Facilitated implementation of the e-Documents Exchange Project	<b>Ongoing</b>
Identify and invite specific experts to provide best practice experience advises and recommendations for further processing of the e-documents exchange project	October 2010 – March 2011	MIS	Kralja Cesmadziska, Ana Marija Nesovic, Darko Janevski	Identify proper directions to develop reasonable and applicable e-documents exchange project	<b>Completed</b>
Monitoring of the implementation of the e-government strategy	January – March 2011	MIS	Kralja Cesmadziska, Ana Marija Nesovic, Darko Janevski	Prepared Report on the implementation of the e-government strategy	<b>During the next quarter</b>
Provide assistance in the preparation of technical guidelines for the implementation of interoperability e-government framework	October 2010 – March 2011	MIS	Ana Marija Nesovic, Darko Janevski	Quality of the respective documents increased	<b>Ongoing</b>
Finalize the e-commerce report and organize its promotion	October - January 2010	MIS	Darko Janevski	Recommendations for improvement of the e-commerce situation in Macedonia submitted to the MIS	<b>Completed (promotion in January)</b>

e-Procurement system					
Activity	Implementation period	Partner Institution	Responsible person	Expected results	Status/Comments
Assist the upgrading process of the Integrated e-procurement system (preparation of technical specifications, testing, monitoring of the development and implementation process)	October 2010 - April 2011	Public Procurement Bureau	Elena Stamoska, Darko Janevski	Establishment of a fully integrated e-procurement system in the Republic of Macedonia	<b>Completed/Ongoing</b>
Organize and deliver trainings for various categories of users – contracting authorities, economic operators, State Appeal Commission, State Audit Office on the upgraded e-procurement system	December 2010 – February 2011	Public Procurement Bureau, Chambers of Commerce	Elena Stamoska, Darko Janevski	Increased number of trained users and facilitated use of the integrated e-procurement system	<b>In January 2011</b>
Update the detailed technical manuals on the manner of usage of the integrated e-procurement system, draft manual on how to use the new e-auction concept and produce illustrative “step by step” instructions on how to conduct various public procurement procedures through the e-procurement system	December 2010 - January 2011	Public Procurement Bureau	Elena Stamoska, Darko Janevski	Facilitated use of the integrated e-procurement system	<b>In January 2011</b>
Assist the development of public procurement templates on the new e-auction concept	December 2010 – January 2011	Public Procurement Bureau	Elena Stamoska, Darko Janevski	Facilitated public procurement procedures	<b>Completed</b>
Facilitate the cooperation of PPB with Central Registry, PRO and Banking Association regarding the issue of documents in an electronic form	October 2010 – March 2011	Public Procurement Bureau, MIS	Darko Janevski	Documents relevant for e-procurements issued electronically by the respective institutions	<b>Ongoing</b>
Assist the drafting of modifications in the public procurement legal framework (introduce percentages for mandatory use of the electronic procedures)	October 2010 – March 2011	Public Procurement Bureau	Darko Janevski	Legal framework on e-procurement procedures further improved	<b>Completed/If PPB decide to amend the PPL</b>

<b>Single Window for Import/Export Licenses and Tariff Quotas - EXIM</b>					
<b>Activity</b>	<b>Implementation period</b>	<b>Partner Institution</b>	<b>Responsible person</b>	<b>Expected results</b>	<b>Status/Comments</b>
Follow the development and implementation of the communication/ data exchange between EXIM and the new CDPS <sup>3</sup>	November 2010 – March 2011	Customs Administration	Ana Marija Neshovic	Establishment of paperless environment for cross-border trade	<b>In progress</b>
New technical upgrade and modification of the existing EXIM features including the changes to the SW of the Certified Authorities for digital certificates	October 2010 – November 2010	Customs Administration	Ana Marija Neshovic	More efficient and user friendly system	<b>In progress</b>
Assist the drafting of modifications in the relevant legal framework	October 2010 – March 2011	Customs Administration, various government institutions	Darko Janevski	Legal environment for the new EXIM upgrades established	<b>Completed</b>
Train users on the new EXIM functionalities	February 2011	Customs Administration	Ana Marija Neshovic	Facilitated use of new EXIM functionalities	<b>If needed</b>
Organize and conduct IT Security Audit on EXIM and its hosting environment	November 2010 – December 2010	Customs Administration	Ana Marija Neshovic	Improved security of EXIM	<b>In progress</b>
Make analyses and propose alternatives for the future sustainability of the EXIM system	January 2011 – March 2011	Customs Administration	Ana Marija Neshovic	Sustainability of the EXIM system provided	<b>In progress</b>
Participate in various international initiatives for promotion of EXIM	As needed	Customs Administration	Ana Marija Neshovic	Promote EXIM as a successful Single Window initiative	<b>Completed/If needed</b>
<b>Online Registration of Employments</b>					
<b>Activity</b>	<b>Implementation period</b>	<b>Partner Institution</b>	<b>Responsible person</b>	<b>Expected results</b>	<b>Status/Comments</b>
Provide support to companies to use the system	Ongoing	Employment Service Agency	Kralja Chesmadziska	Increased and facilitated use of the system	<b>Ongoing</b>
Organize and deliver trainings for companies and agencies for temporary employments and State Labour Inspectorate as end users of the upgraded modules in the system	October - November 2010	ESA, Chambers of Commerce, USAID/AgBiz	Kralja Chesmadziska Vanja Mirkovski	Increased number of trained users of the system and increased awareness on the service	<b>Partially completed</b>

<sup>3</sup> CDPS = Customs Declaration Processing System that is being developed in the Customs Administration

Review and possibly modify the legislation related to the competences of the State Labour Inspectorate	October – December 2010	Ministry of Labour and Social Policy	Darko Janevski	Legal framework related to the State Labor Inspectorate reviewed and possible modifications in place	<b>If needed</b>
Status check of the ORE usage and organize additional trainings if needed	January – March 2011	Employment Service Agency	Kralja Chesmadziska Vanja Mirkovski	Increased use of the system	<b>In January 2011</b>
Provide support to companies to use the system	Ongoing	Employment Service Agency	Kralja Chesmadziska	Increased and facilitated use of the system	<b>Ongoing</b>
e-Tax services					
Activity	Implementation period	Partner Institution	Responsible person	Expected results	Status/Comments
Support the PRO (if needed) in providing proper and unimpeded functioning of the e-tax system	October 2010 – March 2011	Public Revenue Office	Elena Stamoska	Improved quality of the e-tax service	<b>Ongoing</b>
Monitor the implementation of the recently launched module e-Tax card, which allows taxpayers to follow the status of all taxes paid to and owned by the PRO	October 2010 – March 2011	Public Revenue Office	Elena Stamoska	New e-tax module widely used	<b>Ongoing</b>
Trainings and other e-government initiatives					
Activity	Implementation period	Partner Institution	Responsible person	Expected results	Status/Comments
Organize closeout event of the eGov Project	Beginning of March 2011	N/A	Vanja Mirkovski, Elena Stamoska	Final Project results disseminated and e-government further promoted	<b>In March 2011</b>
Preparation of video material for the close out event	January 2011 – February 2011	N/A	Vanja Mirkovski, Elena Stamoska	Legacy product	<b>In progress</b>
Promotional material – design and preparation	December 2010 – February 2011	N/A	All relevant staff	Legacy product	<b>During the next quarter</b>
Monitoring and evaluation					
Activity	Implementation period	Partner Institution	Responsible person	Expected results	Status/Comments
Organize second evaluation on the impact of the e-Gov Project and assessment of existing potential for future development of e-services in the RoM	January 2011 – February 2011	Metamorphosis	Vanja Mirkovski, Elena Stamoska	Continue to monitor the impact of the e-Gov Project activities on the process of e-government development in Macedonia	<b>During the next quarter</b>
Evaluation on the user satisfaction – EXIM	October 2010	Customs Administration	Vanja Mirkovski, Ana Marija Neshovic	Detailed information on the benefits/problems occurring	<b>Completed</b>

				during implementation obtained	
Evaluation on the user satisfaction – e-Tax services	October 2010	Public Revenue Office	Vanja Mirkovski, Elena Stamoska	Detailed information on the benefits/problems occurring during implementation obtained	<b>Completed</b>
Evaluation on the user satisfaction – e-Procurement	October 2010 – December 2010	Public Procurement Bureau	Vanja Mirkovski, Elena Stamoska, Darko Janevski	Detailed information on the benefits/problems occurring during implementation obtained	<b>Completed</b>
<b>Development and implementation of a software solution on acquiring land that is property of the municipalities</b>					
Activity	Implementation period	Partner Institution	Responsible person	Expected results	Status/Comments
Assist the development and implementation of a software application for local self-government units for rental and selling of land through the use of electronic positive auction. Assistance shall be focused on the following: <ul style="list-style-type: none"> <li>- Drafting technical specification for the software</li> <li>- Evaluation of the software solutions (bids)</li> <li>- Participate in working group to follow the development process</li> <li>- Testing of the software solution</li> </ul>	October 2010 – March 2011	MLGA/Ministry of transport and communication/ ZELS	Kralja Cesmadziska, Darko Janevski, Elena Stamoska	Develop and implement SW application for all 84 municipalities in RoM responsible for selling and renting of land.	<b>Completed</b> /monitoring of the development process will take place during the next quarter
<b>Cross-cutting activities</b>					
Activity	Implementation period	Partner Institution	Responsible person	Expected results	Status/Comments
Assist the government institutions that implement e-government applications in developing Privacy Policies and legal acts for providing secrecy and protection of personal data	October 2010 – March 2011	MIS, various government institutions	Darko Janevski	Increased security and trust in the e-government services	<b>Completed/Ongoing</b>
Draft and promote model Contract for procurement of software by the state institutions, with emphasis on the copyright issues	October 2010 – January 2011	MIS, Public Procurement Bureau	Darko Janevski	Awareness about copyright issues raised. Unified rules applied in the contracts on procurement of software.	<b>In progress</b>

Assist in the modification of the legal framework related to archiving and administrative operations	November 2010 – March 2011	MIS, Ministry of Justice	Darko Janevski	Legal framework for implementation of e-government services completed. Legal obstacles related to procedures conducted electronically diminished.	<b>Ongoing</b>
Organize and deliver a series of presentations on digital certificates (as part of the training activities for other software application)	October 2010 – March 2011	KIBS, MT	Ana Marija Nesovic; Darko Janevski	Increased awareness and usage of digital certificates	<b>Ongoing</b>
Provide user's support on how to use digital certificates	October 2010 – March 2011	KIBS, MT	Ana Marija Nesovic; Darko Janevski	Facilitated use of the digital certificates	<b>Ongoing</b>

## ANNEX 2

### Results achieved by eGov Project until the end of December 2010

Application Targets set with the Work plan for 2010	Targets achieved by the end of December 2010	Comments
<b>e-Procurement</b>		
100% of all contracting authorities (around 1,000) registered as users of the e-procurement system by the end of 2010.	<b>100% (mandatory)</b>	<b>Achieved</b> (all 1,083 contracting authorities registered)
100% of all contract notices (around 6,000) and 100% of notifications on awarded contracts or cancellations prepared and published through the e-procurement system in 2010.	<b>100% (mandatory)</b>	<b>Achieved</b> (7,002 contract notices and 9,913 contract award notifications published)
15% of all public procurement procedures carried out electronically by the end of 2010.	<b>6%</b> of all procurements in RoM have been carried out electronically	Legal changes to mandate the use of full e-procedures; 413 electronic procedures out of the 7,002 contract notices published)
30% of the estimated value of all public procurements awarded via e-auction by the end of 2010.	<b>12%</b> of the estimated value of all procurements in RoM has been awarded via e-auction	By the end of December 15% of all procedures ended with e-auction (out of the 7,002 contract notices published, 1,028 end up with e-auction)
<b>Online Employment Registration</b>		
By the end of 2010, at least 25% of the total number of employments/terminations (166,088 M1/M2) submitted by the employers with 20 or more registrations in 2009 submitted through the system (1,840 companies).	<b>11.5%</b> (212) out of 1,840 companies re-registered to use ORE;  <b>21.3%</b> (35,420) M1/M2 processed via ORE	eGov is working on intensive trainings to increase the percentages.
<b>e-Tax services</b>		
At least 5% (around 3,500 companies) of all legal entities eligible to submit tax returns using the system by the end of 2010.	<b>11%</b> (or 6,528 companies)	<b>Achieved</b>
<b>EXIM</b>		
100% of import/export licenses processed and issued through EXIM in 2010.	<b>100%</b>	<b>Achieved</b>
By the end of 2010, 70% of all applications for import/export licenses submitted by companies electronically	<b>80%</b>	<b>Achieved</b> (68,647 out of the total 86,066 applications for import/export licenses have been submitted by the companies electronically)
<b>Digital Certificates</b>		
50% increase in the number of sold digital certificates compared to 2009 (1,159).	<b>157%</b> (around 2,990 certificates sold)	<b>Achieved</b>