1. Basic Information

1.1 Désirée Number: CZ2003/004-338.06.01
1.2 Twinning Number: CZ03/IB/SO/01
1.3 Title: Information System for Administration of Free Movement of Persons
1.4 Sector: Employment, Social Affairs, Health
1.5 Location: Czech Republic

2. Objectives

2.1 Overall objective
To enable the Czech Republic to take on the obligations of membership, incl. adherence to the aims of political, economic and monetary union.

2.2 Project purpose
Support to the establishment of a centralised information system of migrant persons after the EU accession as a part of CSSA project “Integrated system for management and administration”

2.3 Accession Partnership and NPAA priority
(and implementing measures envisaged by the Action Plan for AP priorities related to strengthening administrative and judicial capacity)

Accession Partnership 2001
Free movement of persons
Reinforce the administrative structures for the co-ordination of social security.
Social policy and employment
Complete alignment of the EC legislation, in particular in the field of equal treatment for women and men and health and safety acquis, and increase enforcement efforts of the whole social legal acquis. Strengthen relevant institutional structures, in particular labour inspectorates. Continue adopting legislation in line with the anti-discrimination acquis and prepare for its implementation.
Prepare a national strategy, including data collection, with a view to future participation in the European strategy on social inclusion.

Action plan for reinforcing the Czech Republic’s administrative and judicial capacity in its chapter No. 2 mentions free movement of persons under Priority 2.

2.4 Contribution to National Development Plan
n.a.

2.5 Cross Border Impact
n.a.

3. Description

3.1 Background and justification
The Czech Social Security Administration (CSSA) is finalising the preparations for EU accession. Therefore, it is necessary to address the area of free movement of persons and namely the database of migrating EU and Czech citizens as required by the EU standards (Regs. No. 1408/71 and 574/72). The database deals with the respective allowances (pension, sickness, posting workers, etc.), the data are to be stored centrally with access from about 120 contact points all over the Czech Republic (Existing District Social Security Administrations + their branch offices). CSSA is also supposed to exchange this data with other Member States. As this issue has been assessed, consulted and given recommendations within
previous Phare projects, this project is a follow-up to them and should lead to the complete implementation of the said system.

The project is a part of the larger CSSA project “Integrated system for management and administration” which is based on a strategy of the CSSA up to 2006 issued in 2002 and dealing with operation and development of the CSSA defined by three strategic objectives: 1) Transformation of CSSA into Social Insurance Agency (SIA), 2) Substantial improvement in the administration of pension and sickness insurance, substantial improvement in the management and administration of the CSSA including the upgrading of its information system into a powerful and efficient tool, and 3) Creation of professional prerequisites at CSSA to accomplish the tasks related to the EU accession. The mentioned CSSA strategy is fully in line with the strategy of MoLSA adopted by the Government in May 2002.

The proposed investment part of the project is concerning the CSSA headquarters plus 120 contact points all over the country with approximately 500 involved employees (out of a total of ca. 8000 CSSA employees). The situation concerning the equipment and its financing from state budget/Phare is mentioned in the following table.

<table>
<thead>
<tr>
<th></th>
<th>Existing Equipment</th>
<th>Requested Equipment</th>
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<tr>
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<tr>
<td>Database software</td>
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<td>3</td>
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</tr>
<tr>
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</table>

3.2 Linked activities
The project under CONSENSUS III programme “Implementing EU Co-ordination Rules as decided by Regulation 1408/71 and 574/72” targets not only MoLSA and CSSA but also other involved institutions covered by the regulations. There are 8 main subprojects, four of them are directly linked to this project: Training of staff, Development of self study materials, Organisation of special seminars, Training with regard to posting of workers. Training aspect, nevertheless is also included in more of them.

The project CZ 00-03-03 "Support to Pension Reform". The general objective of this project is to transform the CSSA into a fully operational insurance agency, with the necessary internal procedures and operational capacities (technical and personnel) to administer a digitalised pension system, meeting the requirements of EC legislation and EU co-ordination of social security, stress is put on the quality of state supervision of the system of supplementary pension schemes, including the employer sponsored schemes, analysed/defined (initial principles are now under preparation in MoLSA), with supervision systems strengthened.

The project CZ 01-08-02 "Testing the preparedness for the application of EC social security legislation". The objective of this project is to analyse and improve the capacity of the central institutions which will be responsible for co-ordinating and implementing EU social security (Soc.Sec.) legislation (Reg. 1408/71, 574/72), and recommend the necessary changes to ensure a properly functioning social security system by the time of accession.

The project CZ 02-08-04 „Creation of training capacity of the CSSA“. The objective of this project is the effective functioning of transformed administrative structure responsible for implementation of the most substantial part of the Czech Social Security scheme (pension and sickness) and strengthening institutional and administrative capacity. The project should result in the establishment of structures and procedures that would allow the CSSA/SIA to do their work to a standard that is comparable to the work done by similar bodies in the Member States, and proposals and recommendations for the establishment of a sustainable training capacity within the CSSA/SIA, including a comprehensive training programme, skilled trainers and a fully operational national training centre, the equipment and training materials.

3.3 Results
This twinning, technical assistance and supplies project addresses an AP priority and aims at ensuring a sustainable strengthening of the capacity of CSSA/SIA needed for administration of free movement of persons within an enlarged European Union. The project should result in setting up a database system of migrating persons and the respective allowances they are eligible for, including equipment, software and training. The central database will collect data from about 120 contact points all over the Czech Republic and will be linked to partner institutions in all EU Member States.

Supply of Equipment
• Hardware and generic software (see background and justification) means are purchased and operating at the CSSA/SIA

**Technical Assistance**
• Databases and software applications are developed and set up at the CSSA/SIA using a consultation under TA.
• Software application users of CSSA/SIA are trained

**Twinning**
• Analyses and recommendations concerning the architecture, set up and administration of the system carried out
• Training materials drafted
• Training of 500 users from CSSA/SIA carried out
• Professional capacity of the 500 CSSA/SIA staff tested (for instance by e-learning)

**3.4 Activities**

**Investment part - supply of equipment** (0.40 M€ Phare; 0.25 M€ Czech co-financing)
To purchase, deliver and install necessary ICT components and training: equipment, SW products (database server (OS Solaris or UNIX) including a backup device, 120 workstations (OS Windows) including printers with scanning facility, database SW (SQL or Oracle)).
(Technical Specification to be presented by CSSA in cooperation with MoLSA and NTF)
(For further details concerning existing / required equipment see a table above in 3.1)

**Technical Assistance** - to finance activities in informatics and statistics, activities which will make the purchased equipment operable for the purposes of the project (0.20 M€)
• To define data structure, inputs, outputs, control mechanism
• To set up data structure, inputs, outputs, control mechanism
• To implement the above mentioned into current information system
• To train net administrators

**Twinning (0.40 M€):**
• To elaborate an analysis, provide consultation and work up recommendation concerning the architecture, set up and administration of the information system
• To elaborate training manuals
• To train 500 users of CSSA/SIA with emphasis placed on the practical implementation of EC Regulations 1408/71 and 574/72
• To provide professional knowledge to CSSA/SIA via training by highly professional team
• To test professional capacity of the staff (for instance by e-learning)

This twinning project includes one PAA (12 calendar months) and 4 man-months of STE for analysis, recommendation and overall coordination and delivering the project outputs including training. MS expert must have minimum 5 years of practical experience in the subject matter of the Project.

**3.5 Lessons learned**
The conclusions and recommendations of recent monitoring reports have been considered within the preparation of this project.

**4. Institutional Framework**

**Ministry of Labour and Social Affairs (MoLSA)**
MoLSA is a central department of the State administration and is responsible for labour relations, occupational safety, employment and training, collective bargaining, civil service, wages and other forms of remuneration, pensions and sickness insurance, social protection, family and child affairs, care for vulnerable groups and other issues of wage and social policy. The number of MoLSA staff is ca 550 persons.

**Czech Social Security Administration (CSSA)**
The main tasks of the CSSA are to collect contributions for the basic pension insurance system, the sickness insurance scheme and the system of state employment policy (unemployment insurance and employment policy programs) and to arrange the calculation and payment of benefits from those schemes as well as the keeping of records on insured individuals (excluding the system of state employment policy). CSSA is divided into the Central Administration (with offices in Prague) and District Social Security Administration (76 administrations), to which is associated the Prague Social Security Administration (CSSZ). Between the central and the district administrations there also exist detached workplaces of the Czech Social Security Administration at the level of the former regions (DPSSZ, 7 administrations). The number of CSSA staff is ca 8 500 persons including the district branches.

5. Detailed Budget (mil.€)

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare (=I+IB)</th>
<th>National Co-financing</th>
<th>TOTAL</th>
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<tr>
<td>Investment in IB</td>
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<td>Technical Assistance</td>
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</tr>
<tr>
<td>Twinning</td>
<td>0.40</td>
<td>0.40</td>
<td>0.40</td>
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<tr>
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<td>0.60</td>
<td>1.00</td>
<td>0.25</td>
<td>1.25</td>
</tr>
</tbody>
</table>

There will be parallel co-financing - Budget Chapter 313 – MOLSA, Budget Years 2003/2004

6. Implementation Arrangements

6.1 Implementing Agency
The CFCU will be the Implementing Agency. Project implementation will be under direct responsibility and co-ordination of the Ministry of Labour and Social Affairs, in consultation with CSSA/SIA.

6.2 Twinning
Twinning arrangement is envisaged with MoLSA as the beneficiary institution.

The Contact person at MoLSA is Mr Miroslav Fuchs, Deputy Minister of the European Integration and International Relations Section, Ministry of Labour and Social Affairs, tel. +420 2 21922300, fax +420 2 21922223, e-mail miroslav.fuchs@mpsv.cz.

The Contact Person at CSSA/SIA is Mr Jiri Hoidekr, Director, tel. +420 2 5706 2223, fax +420 2 5706 2032, e-mail jiri.hoidekr@cssz.cz

6.3 Non-standard aspects
n.a.

6.4 Contracts
(1) Supply of Equipment 0.40 M€
(2) Technical Assistance 0.20 M€
(3) Twinning 0.40 M€

7. Implementation Schedule

7.1 Start of tendering/call for proposals
Supply of Equipment 3Q/2003
Technical Assistance 3Q/2003
Twinning 1Q/2003

7.2 Start of project activity
Supply of Equipment 1Q/2004
Technical Assistance 2Q/2004
Twinning 4Q/2003

7.3 Project Completion 4Q/2004

8. Equal Opportunity
Equal opportunuty principles and practices in ensuring equitable gender participation in the project will be guaranteed.

9. Environment
n.a.

10. Rates of Return
n.a.

11. Investment Criteria
n.a.

12. Conditionality and Sequencing
This project will build upon the achievements of the previous projects CONSENSUS III programme « Implementing EU Co-ordination Rules as decided by Regulation 1408/71 and 574/72 », CZ00.03.03, CZ01.08.02 and CZ02.08.04, and will also reflect the state of transformation of the CSSA.

ANNEXES TO PROJECT FICHE

1. Logframe planning matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme
### LOGFRAME PLANNING MATRIX

**Project title:** Information system for administration of free movement of persons  
**Programme number:** CZ 2003/004-338.06.01  
**Beneficiary institution:** MoLSA  
**Total budget:** 1.25M€  
**Phare budget:** 1.00M€

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>To enable the Czech Republic to take over the obligations of membership, incl. adherence to the aims of political, economic and monetary union.</td>
<td>Acknowledgement by the European Commission</td>
<td>Relevant EC documents</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Finalise the establishment of a system of a centralised information of migrant persons after the EU accession. | System of registration concerning migrant persons in accordance with EU Rules, esp. Recommendations of Technical Council (Technical Council is an EU body constituted according to the EC Reg. No. 574/72, to be in operation by the date of accession). | • CSSA/SIA records  
• Evaluation from relevant national bodies  
• Action plan for reinforcing the Czech Republic’s administrative and judicial capacity | • Other parts of the acquis implemented and enforced to fulfil the 3rd Copenhagen Criterion |

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Supply  | • Hardware and software (see background and justification) means are purchased and operating at the CSSA/SIA TA  
• Databases and software applications are developed and set up at the CSSA/SIA using a consultation under TA.  
• Software application users of CSSA/SIA are trained TW  
• Analyses and recommendations concerning the architecture, set up and administration of the system carried out | • Supply of equipment and products in the IV/Q of 2003  
• 500 users of CSSA/SIA, both on central and district level, are trained by 3Q 2004  
• The administrative and technical capacity of CSSA/SIA is ready to implement the EC Regulations 1408/71 and 574/72 3Q 2004  
• The capacity of the 500 CSSA/SIA staff tested e.g. by methods of e-learning by 4Q 2004 | • Project progress and final reports  
• EC monitoring reports  
• Record of proceedings  
• Project outputs reflected in individual policies of the CSSA/SIA  
• Action Plan and Strategy of CSSA/SIA to 2005  
• Internal evaluation of training courses  
• Internal evaluation of software application outputs, esp. Pension calculations due to EU Rules  
• Results of the tests | • All tasks under umbrella of this Project are effectively coordinated and all people involved are well informed  
• Process of digitalisation of CSSA/SIA and establishing e-office in operation |
- Training materials drafted
- Training carried out
- Professional capacity of the staff tested by e-learning

| Activities                  | Means | Assumptions |
|-----------------------------|-------|-------------|-------------|
|                             |       |             |             |
### Supply:
To purchase, deliver and install necessary ICT components.

### Technical Assistance:
- To define data structure, inputs, outputs, control mechanism
- To set up data structure, inputs, outputs, control mechanism
- To implement the above mentioned into current information system
- To train net administrators

### Twinning:
- To elaborate an analysis, provide consultation and work up recommendation concerning the architecture, set up and administration of the information system
- To train 500 users of CSSA/SIA with emphasis placed on the practical implementing of EC Regulations 1408/71 and 574/72
- To draft training manuals
- To provide professional knowledge to CSSA/SIA via training by highly professional team
- To test professional capacity of the 500 CSSA/SIA staff

### Investment part (0.65 M€):
- **0.40 M€ Phare - 0.25 M€** Czech co/financing. Supply of training, equipment and SW products (database server (OS Solaris or UNIX) including a backup device, 120 workstations (OS Windows) including printers with scanning facility, database SW (SQL or Oracle). Needs Analysis and Technical Specification to be done by CSSA in cooperation with MoLSA and NTF.
  (For further details concerning existing / required equipment see a table bellow)

### TA (0.20 M€):
To finance activities in informatics and statistics

### Twinning (0.40 M€):
1 PAA (12 calendar months) + 4 man-months of STE
For analysis, recommendation and overall coordination and delivering the project outputs. experts must have minimum 5 years practical experience in the subject matter of the Project

### Preconditions
The project is part of a larger CSSA’s project (see Background and Justification)
Trainings under the project will utilise training centre set up under Phare 2002 project.

### This project has links to following projects:
- CZ9808 Strengthening the administrative capacities for implementation of the Acquis
- CZ/CZ 99/IB-CO-01CONSENSUS III Coordination of Social Security
- CZ 00-03-03 Support to Pension Reform
- CZ 01-08-02 Testing the preparedness for the application of EC social security legislation
- CZ 02-08-04 Creation of training capacity of the CSSA

The proposed project will further develop and deepen the activities addressed under these projects.
## DETAILED IMPLEMENTATION CHART

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<th>Action</th>
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<td>Start of tendering</td>
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## CONTRACTING AND DISBURSEMENT SCHEDULE

### Cumulative Quarterly Contracting Schedule (mil. €)

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<th>1Q/02</th>
<th>3Q/02</th>
<th>4Q/02</th>
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<th>1Q/04</th>
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### Cumulative Quarterly Disbursement Schedule (mil. €)

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