

**Terms of Reference for Local Technical Assistance
to develop the Legislative and Regulatory Framework
of the Single Unified Registry System Agency**

1. Background

The Government of the Republic of North Macedonia has received a Loan from the International Bank for Reconstruction and Development, for implementing the Macedonia Social Insurance Administration Project (SIAP).

The SIAP project activities will address specific functional and technical areas within the administration of social insurance. The project will support the Government's efforts to continue the process of improving the quality of services delivered by the social insurance administration. The SIAP project will make investments in:

- (a) developing a central single unified registry of socially insured individuals (SURS)
- (b) improving the Pension and Invalidity Fund's (PIOM) capacity and business processes
- (c) establishing a Central Disability Certification Coordination Unit (CDCCU)
- (d) revising the list of hazardous occupations eligible for early retirement with extended service period (ESP), and,
- (e) supporting implementation of the legal and institutional framework for employment and professional rehabilitation of persons with disabilities.

The overall SIAP project will be organized into two main components, with a third component related to project management.

- **Component 1.** Improving the quality of the social insurance administration services
- **Component 2.** Strengthen the regulatory framework for people with disabilities and for hazardous occupations
- **Component 3.** Project Management

This assignment will be undertaken within **Component 1 - 'Subcomponent 1 - Establishment of Single Unified Registry System (SURS) for social insurance'** – and will support the establishment of the legal environment to enable the SURS system to operate.

2. Specific Background

Within the present social insurance system, the registration, data collection, and database management functions are spread amongst multiple institutions. In essence, the Employment Agency (AVRM) predominantly undertakes registration of employees and their employers, and the Tax Administration (UJP) undertakes contribution and contribution data collection. In addition, both the Pension and Disability Insurance Fund (PIOM) and the Health Insurance Fund (FZO) also register other client categories (e.g. farmers, self-employed). The PIOM also intermediates in the collection of data and allocation of contributions for the Defined Contribution (Pillar 2) Pension and transmits such funds and data through the Pillar 2 regulator (MAPAS) for onward transfer to the DC Pension Funds.

The Government of the Republic of North Macedonia has decided to establish a new single unified registry system (SURS), including a unified single individual contributor database as its' centerpiece. The collection of all social insurance contribution revenues will remain within the Tax Administration (UJP). However, the management of the SURS will be assigned to a separate new legal entity (SURS Agency) to be established under the Ministry of Labor and Social Protection (MLSP) and regulated through a new 'Law on SURS' and supporting by-laws.

The objective of developing the SURS system is to streamline and unify the functions of social insurance registration, data reporting, and contributor and individual contribution data recording. The SURS Agency, under the aegis of the MLSP, will have central responsibility and management authority over the operations of the SURS System. The SURS Agency shall be the central single national institution that will maintain a database of all entities participating in the social insurance system. The SURS Agency will gather, record, manage, update, and share social-insurance related data with all authorized participating institutions.

3. Specific Objective and Scope of Work

The Ministry of Labor and Social Policy is seeking the services of a Local Consultant to provide legal advisory services on the development of the Legislative and Regulatory Framework for the establishment of Agency of Single Unified Registry System (SURS) of social insurance

The Consultant shall work with representatives of Ministry of Labor and Social Policy (MLSP),

Ministry of Health (MoH), Tax Administration (UJP), Pension and Disability Insurance Fund (PIOM), Health Insurance Fund (FZO), Agency of Employment (AVRM), Pillar 2 Regulator (MAPAS), MLSP (social assistance), and other institutions to ensure that proposed legislation for SURS (including *Lex Specialis*) is correlated with existing Laws and By-laws in North Macedonia. The Consultant shall propose specific changes to such Laws and Bylaws where required, to ensure full correlation and functionality of SURS.

The Consultant shall ensure that proposed legislative and regulatory framework of the new SURS Agency and SURS System are complete and fully serve the needs of all participating institutions.

The Consultant shall liaise closely with participating institutions' advisors and staff who are undertaking (within Component 1) the detailed analysis and design of the SURS system and establishment of the SURS agency. This will ensure that all legislative actions are in conformity with the new SURS system and SURS Agency, including the SURS new business operations model and functionality.

The Consultant main tasks shall include (but not be limited to):

- Review of current legislation in Republic of North Macedonia that defines and regulates registration and deregistration of all categories of socially insured individuals, data exchange between SI agencies and UJP; contribution collection; contribution/contributor data collection; update of contributor/contribution/employment data; business forms involved in the collection and reporting functions; compliance and sanction provisions; special/separate agency establishment, privacy protection;
- Review of relevant and compatible international solutions and practice for regulating registration of socially insured individuals, SURS-alike agencies, data exchange, etc. Comparative analysis of the legal solution including legal solution options
- Analysis of legislative requirements arising from the design of the SURS system and establishment of the SURS Agency
- Ensure that all legislative proposals are in conformity with the design of the SURS system and establishment of the SURS Agency
- Drafting a proposal of a *Lex Specialis* law, with detailed explanation for each provision of that Law

- Drafting secondary legislation (bylaws) necessary for the implementation and operation of the SURS
- Identifying and harmonizing all existing laws that need to be changed as a result of *Lex Specialis* and the proposed legal solution
- Defining requirements for a public communication / institutional debate for SURS legislative program

The Consultant is expected to hold meetings, workshops and briefing seminars throughout the project and these should be specified within the proposed work plan. These events should be used to gather and verify information, discuss existing problems and potential solutions, brief key personnel in the participating institutions, and reach agreement on proposed solutions. The Consultant shall work closely with a SURS Workgroup, comprising representatives of key institutions, and shall use the opportunity to transfer skills and knowledge to the SURS Workgroup.

4. Deliverables

The Consultant shall submit the following key deliverables:

- A comparative analysis of the legislation governing unified social security registries from countries with similar systems, with focus on the analysis of their systematic issues, advantages and disadvantages, and highlighting best practices and options for the SURS Agency and SURS system
- A detailed report showing how all new legislative proposals are in conformity with the design of the SURS system and establishment of the SURS Agency
- Draft *Lex Specialis* for SURS Agency and system with explanation for each provision of the law
- Draft secondary legislation (bylaws) for *Lex Specialis*, and all related primary legislation
- Report with proposed detailed amendments to other existing legislation - for full harmonization with SURS
- Draft detailed transition plan that includes a timetable and implementation phasing for the legislation being proposed – taking into account the implementation plan for development of SURS system and establishment of SURS Agency
- Concept and key components of a public communication related to the legal matters concerning SURS

The Consultant may also propose additional deliverables based on the Consultant proposed approach and methodology.

The Consultant shall report on a regular basis to MLSP's and PMU, to ensure work undertaken

is delivered on time schedule and to the quality expected. All written reports shall be available in Macedonian, as primary language of deliverables and English. All written reports should be fully discussed with the SURS Workgroup and the outcome of discussions should be reflected within the final version of the report. The Ministry of Labor and Social Policy shall have the final approval with regards to Deliverables and documents acceptance, and on any disagreements.

5. Qualifications and Experience

- Law degree (minimum Bachelors level), MA or PhD is an asset
- At least 10 years of proven experience in preparation of laws in the Republic of North Macedonia, experience in preparation of laws or secondary legal regulations in social insurance system in the Republic of North Macedonia is an advantage
- Experience and knowledge related to the institutional structure of public administration in the Republic of North Macedonia, knowledge of the structure and organization of social insurance system in the Republic of North Macedonia is an advantage
- Fluency in English and Macedonian

The credibility of mentioned experience and expertise shall be presented in a list of project references with description of services provided (including information on work position, entity/client, location/country, duration and main activities) and accompanied by certificates of orderly fulfillment of the contracts verified by other party from such contracts.

6. Evaluation Criteria

Evaluation criteria	Total points	Max. Points
	100	
Education in Law	15	10-Bachelor degree 13- Master degree 15-Phd degree

<p>At least 10 years of proven experience in preparation of laws in the Republic of North Macedonia, experience in preparation of laws or secondary legal regulations in social insurance system in the Republic of North Macedonia is an advantage</p>	<p>45</p>	<p>10- Active participation in at least 2 projects or activities for preparation of laws in the Republic of North Macedonia in the past 10 years 20-Active participation in 3-4 projects or activities for preparation of laws in the Republic of North Macedonia in the past 10 years 30- Active participation in more than 4 projects or activities for preparation of laws in the Republic of North Macedonia in the past 10 years 15- experience in preparation of laws or secondary legal regulations in social insurance system in the Republic of North Macedonia (This criteria shall be considered as fulfilled if the consultant has experience in preparation of laws in the Republic of North Macedonia at least 2 projects or activities)</p>
<p>Experience and knowledge related to the institutional structure of public administration in the Republic of North Macedonia, knowledge of the structure and organization of social insurance system in the Republic of North Macedonia is an advantage</p>	<p>35</p>	<p>10- Active participation in at least 2 projects or activities related with institutional structure of public administration in the Republic of North Macedonia 20- Active participation in more than 2 projects or activities related with institutional structure of public administration in the Republic of North Macedonia 15- Experience and Knowledge related to structure and organization of social insurance system in the Republic of North Macedonia is an advantage (This criteria shall be considered as fulfilled if the consultant has Active participation in at least 2 projects or activities related with</p>

		institutional structure of public administration in the Republic of North Macedonia)
Fluency in English	5	

7. Duration of Assignment

It is expected that this assignment will be undertaken over a period of minimum six (6) calendar months, starting in third quarter of 2022. The Consultant shall start working after receiving notification from the Client.

8. Selection Method and Contract

The selection method is Individual Consultant Selection and the contract shall be Lump Sum according to the World Bank Procurement Regulations for Investment Project Financing (IPF) Borrowers – Procurement in IPF of Goods, Works, Non-Consulting and Consulting Services, (Regulations) issued in July 2016, revised November 2017 and August 2018, www.worldbank.org.