



Republic of North Macedonia

**Ministry of Finance**

**2019 ACTION PLAN  
FOR IMPLEMENTATION OF THE  
PUBLIC FINANCIAL MANAGEMENT REFORM PROGRAMME**

**March 2019**

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY	
Priority 1: Improved Fiscal Framework	
INDICATORS	TARGET FY19
Establishment of Fiscal Council	Fiscal council established
Variance between tax revenue outturn and original budgeted	less than 9%
% of indicators and improved quality of statistical data produced	85%

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M1: Formulation, adoption and implementation of fiscal rules						
<b>ACTIVITY</b> Activity 1 (P1M1A1): Designing of fiscal rule and adoption of the fiscal rule legislation						
<b>DELIVERABLES</b> Fiscal rule legislation adopted						
<b>INDICATORS</b> a) Draft Fiscal rules design b) Adoption of the fiscal rule legislation			<b>TARGET FY 2019</b> Fiscal rules legislation adopted Fiscal council established			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Designing of fiscal rule and adoption of the fiscal rule legislation	Q1 2018	Q4 2019				
<b>SUB-ACTIVITY</b>						
Adoption of legislation for prescribing fiscal rules. (The new Budget Law envisages provisions defining and regulating fiscal rules)	2019	2019	Ministry of Finance	Assembly		
Adoption of legislation for institutionalizing the Fiscal Council. (The new Budget Law envisages provisions for establishment of a Fiscal Council.)	2019	2019	Ministry of Finance	Assembly	0*  *operating costs of the Fiscal Council (after it becomes operational in 2019) are estimated at EUR 165,000 yearly	<u>National budget</u>
<b>TOTAL:</b>						EUR 165,000
						MKD 10,148,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M2: Strengthening of forecasting						
<b>ACTIVITY</b> Activity 2 (P1M2A2): Strengthening the capacities for tax revenue planning						
<b>DELIVERABLES</b> Strengthened capacities for tax revenue planning						
<b>INDICATORS</b> a) Improved analytical capacities for tax revenue planning				<b>TARGET FY 2019</b> a) Installed software b) Realized trainings c) New microsimulation models built		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthening the capacities for tax revenue planning	Q1 2019	Q4 2019				
<b>SUB-ACTIVITY</b>						
Installing appropriate econometric software suitable for analysis and microsimulation	Q1/ 2019	Q2/ 2019	MoF departments	/	0	
Training	Q1/ 2019	Q3/ 2019	MoF departments	/	1,100 eur = 67,650 MKD	National budget
Bulding up new micro-simulation models	Q3/ 2019	Q4/ 2019	MoF - Tax and customs policy department	/	5,580 eur= 343,350 MKD	National budget
<b>TOTAL:</b>					EUR 6,683	
					MKD 411,000	

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M2: Strengthening of forecasting						
<b>ACTIVITY</b> Activity 4 (P1M2A4): Further development of the macroeconomic model						
<b>DELIVERABLES</b> Improved macroeconomic model						
<b>INDICATORS</b> a) Revision of methodology of the model's supply side b) Inclusion of new quarterly national accounts time series in the model				<b>TARGET FY 2019</b> Methodology revised New quarterly national accounts time series included in the model		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Further development of the macroeconomic model	Q3/2018	Q4/2019	MoF		- EUR 2,000 = 123,000 MKD for software - EUR 3,500 = 215,000 MKD for STE mission assumed	- National Budget for software  - EU-TAIEX for STE mission
<b>TOTAL:</b>						EUR 5,500
						MKD 338,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M3: Increased data availability for better forecasting of GDP						
<b>ACTIVITY</b> Activity 1 (P1M3A1): To continue harmonisation of the statistical methodologies in the area of business and social statistics (monthly and quarterly), providing timely and accurate data for compiling quarterly national accounts						
<b>DELIVERABLES</b> • Improved GDP data						
<b>INDICATORS</b> % of statistics aligned with EU acquis (social, business and national accounts)				<b>TARGET FY 2019</b> > 85 %		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
To continue harmonisation of the statistical methodologies in the area of business and social statistics (monthly and quarterly), providing timely and accurate data for compiling quarterly national accounts	Q1 2019	Q4 2021	State Statistical Office		615,000 EUR = 37,823,000 MKD	IPA 2017 National programme – service contract
<b>SUB-ACTIVITY</b>						
Consultations with the Departments of Business and Social Statistics for the timely processing of relevant data and indicators, as well as their submission to the appropriate department in the Sector of National Accounts.	Q1 2019	Q4 2021	State Statistical Office			
Finding the possibilities for additional processing of specific data and indicators, necessary for: • calculation of quarterly GDP and • calculation of additional quarterly data according to the ESA2010 transmission program.	Q1 2019	Q4 2021	State Statistical Office			

### 2019 Action Plan for Implementation of the PFM Reform Programme

Inclusion of additional activities of the departments in the State Statistics Statistic in the "Annual Work Program" of the State Statistics Statistic.	<b>Q1 2019</b>	<b>Q4 2021</b>	State Statistical Office			
Inclusion of additional data and indicators on monthly and quarterly level depending on the change and requirements of Eurostat and the IMF in accordance with ESA2010.	<b>Q1 2019</b>	<b>Q4 2021</b>	State Statistical Office			
<b>TOTAL:</b>						37,823,000 MKD
						615,000 EUR

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M3: Increased data availability for better forecasting of GDP						
<b>ACTIVITY</b> Activity 2 (P1M3A2): Exploring the usage of administrative and other data sources in the field of business and social statistics						
<b>DELIVERABLES</b> • Improved GDP data						
<b>INDICATORS</b> % of usage of administrative data sources statistical data compilation				<b>TARGET FY 2019</b> 50		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Exploring the usage of administrative and other data sources in the field of business and social statistics	Q1 2019	Q4 2021	State Statistical Office		0* * costs are included under the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>SUB-ACTIVITY</b>						
Processing and submission of data on a monthly and quarterly basis for: • employees; • compensation of employees; • number of paid hours; • number of unprocessed hours-days	Q1 2019	Q4 2021	State Statistical Office	Revenue Tax Office Ministry of Finance		



## 2019 Action Plan for Implementation of the PFM Reform Programme

Examining the possibilities for submitting data for: • sown crops and harvesting of cereals, fruits and vegetables; • livestock - number of livestock, slaughtered heads in slaughterhouses and quantity of meat produced; • investments in fixed assets - mechanization in agriculture; • costs of fodder, fuel and fertilizer	Q1 2019	Q4 2021	State Statistical Office	Ministry of Agriculture, Forestry and Water Economy and other relevant institutions		
Timely submission of data at quarterly level for: • number of TV subscribers; • number of users fixed and mobile telephony; • number of Internet users.	Q1 2019	Q4 2021	State Statistical Office	Agency for electronic communications		
Timely submission of quarterly data on paid insurance premiums and expenses for insuring households from insurance companies.	Q1 2019	Q4 2021	State Statistical Office	Insurance Supervision Agency		
Timely submission of data on imports and exports of goods and services from the balance of payments (BoP).	Q1 2019	Q4 2021	State Statistical Office	National Bank of the Republic of North Macedonia		
Inclusion of additional data and indicators on monthly and quarterly level depending on the change and requirements of Eurostat and the IMF in accordance with ESA2010.	Q1 2019	Q4 2021	State Statistical Office	Additional precision depending on the execution of the addictiveness		
<b>TOTAL:</b>						<b>0</b>

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M3: Increased data availability for better forecasting of GDP						
<b>ACTIVITY</b> Activity 3 (P1M3A3): Delineation of Gross Capital Formation						
<b>DELIVERABLES</b> • Improved GDP data						
<b>INDICATORS</b> % of delineation of GCF				<b>TARGET FY 2019</b> 85		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Delineation of Gross Capital Formation	Q1 2019	Q4 2021	State Statistical Office		0* *costs are included under the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>SUB-ACTIVITY</b>						
Consultations with the Business community on the possibilities for submitting data for start and end of inventories (finished products and unfinished production, as well as the final stock of raw materials, spare parts and small inventory, packaging and cargos, goods) on a quarterly basis.	Q1 2019	Q4 2021	State Statistical Office	The Economic Chamber of the Republic of North Macedonia, Ministry of Finance and other relevant institutions		
Inclusion of additional data and indicators on monthly and quarterly level depending on the change and requirements of Eurostat and the IMF in accordance with ESA2010.	Q1 2019	Q4 2021	State Statistical Office	Additional precision depending on the execution of the addictiveness		
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M3: Increased data availability for better forecasting of GDP						
<b>ACTIVITY</b> Activity 4 (P1M3A4): Strengthening the human capacities that will bear the burden of the activities planned						
<b>DELIVERABLES</b> • Improved GDP data						
<b>INDICATORS</b> Number of persons employed in the relevant area				<b>TARGET FY 2019</b> 3 (In National Accounts Sector 3 new employments are approved for 2019)		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthening the human capacities that will bear the burden of the activities planned	Q1 2019	Q4 2021	State Statistical Office		1,035,000 MKD = 16,836 EUR	National budget (According to the 2019 SSO plan for employments)
<b>SUB-ACTIVITY</b>						
Depending on the manner of the current realization of the activities of this priority P1M3 and the subtleties A1, A2 and A3, the perception of the financial possibilities for strengthening the human capacities for timely and successful realization of this priority.	Q1 2019	Q4 2021	State Statistical Office	Ministry of Finance		
					<b>TOTAL:</b>	1,035,000 MKD
						16,836 EUR

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 1: Improved Fiscal Framework						
<b>MEASURE</b> P1M3: Increased data availability for better forecasting of GDP						
<b>ACTIVITY</b> Activity 5 (P1M3A5): ESA 2010 Transmission						
<b>DELIVERABLES</b> • Improved GDP data						
<b>INDICATORS</b> % of data transmitted to Eurostat in accordance to ESA 2010 Transmission Programme				<b>TARGET FY 2019</b> 85		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
ESA 2010 Transmission	Q1 2019	Q4 2021	State Statistical Office		0* * costs are included under the budget for activity P1M3A1	IPA 2017 National programme – service contract
SUB-ACTIVITY						
Depending on the successful realization of the activities of this priority P1M3 and the sub-activities A1, A2, A3 and A4, it will be the percentage of data coverage sent to Eurostat according to the Transmission Program in accordance with ESA 2010 will be determined.	Q1 2019	Q4 2021	State Statistical Office			
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY	
Priority 2: Revenue Mobilization	
INDICATORS	TARGET FY 2019
Improved tax efficiency	<p>PIT tax efficiency not less than 0,23 and PIT revenue share of GDP not less than 2,6% .</p> <p>CIT tax efficiency not less than 0,14 and CIT revenue share of GDP not less than 1,9%.</p> <p>VAT C-efficiency not less than 0,52 and VAT revenue share of GDP not less than 7,9%</p>
Level of harmonization of the national legislation with the European acquis in the field of taxes and customs - number of EU tax and customs acquis (existing EU legal provisions in 2018) transposed in the national legislation	/
% of tax services digitalised	40
Use of simplified procedures in customs controls - Number of decisions to use simplified procedures increased	215
Business continuity and stability of the PRO and CARM electronic systems in case of crisis for the data and the business processes	Disaster Recovery Centre not established

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 2: Revenue Mobilization						
<b>MEASURE</b> P2M1: Improved revenue legislation framework, harmonized with the EU acquis						
<b>ACTIVITY</b> Activity 1 (P2M1A1): Harmonisation of tax and customs legislation in line with relevant EU acquis and best practices						
<b>DELIVERABLES</b> • Amended tax legislation						
<b>INDICATORS</b> a) Analysis of current national legislative framework on taxations and its alignment with the EU acquis b) Report with recommendations for improvement of the current national legislative framework for taxations c) Drafted amendments ( or new laws) of tax and customs legislation d) Number of workshops for implementation of the amended legislation organized for the MoF and the PRO e) Number of adopted legislations			<b>TARGET FY 2019</b> Prepared twinning fiche for the IPA 2018 project			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Harmonisation of tax and customs legislation in line with relevant EU acquis and best practices	Q2 2019	Q4 2021	MoF - Tax and Customs Policy Department			
<b>SUB-ACTIVITY</b>						
Preparing Twinning Fiche including this component as part of a Twinning Fiche within IPA 2 - 2018 for the Law on Value Added Tax	Q4 2019	Q4 2019	MoF - Tax and Customs Policy Department	PRO	<u>360 EUR = 22,000 MKD</u>	<u>National budget</u>

### 2019 Action Plan for Implementation of the PFM Reform Programme

Preparing Twinning Fiche including this component as part of a Twinning Fiche within IPA 2018 for the Law on Excises	Q4 2019	Q4 2019	MoF - Tax and Customs Policy Department	CARM	<u>360 EUR = 22,000 MKD</u>	<u>National budget</u>
Preparing Twinning Fiche including this component as part of a Twinning Fiche within IPA 2018 for the Personal Income Tax Law	Q4 2019	Q4 2019	MoF - Tax and Customs Policy Department	PRO	<u>360 EUR = 22,000 MKD</u>	<u>National budget</u>
Preparing Twinning Fiche including this component as part of a Twinning Fiche within IPA 2018 for the Profit Tax Law	Q4 2019	Q4 2019	MoF - Tax and Customs Policy Department	PRO	<u>360 EUR = 22,000 MKD</u>	<u>National budget</u>
Preparing Twinning Fiche including this component as part of a Twinning Fiche within IPA 2018 for the Law on the Public Revenue Office	Q4 2019	Q4 2019	MoF - Tax and Customs Policy Department	PRO	<u>360 EUR = 22,000 MKD</u>	<u>National budget</u>
Preparing Twinning Fiche including this component as part of a Twinning Fiche within IPA 2018 for the Law on Tax Procedure	Q4 2019	Q4 2019	MoF - Tax and Customs Policy Department	PRO	<u>360 EUR = 22,000 MKD</u>	<u>National budget</u>
<b>TOTAL:</b>						132,000 MKD
						2,160 EUR

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 2: Revenue Mobilization						
<b>MEASURE</b> P2M2: Improved tax and customs services and procedures						
<b>ACTIVITY</b> Activity 1 (P2M2A1): Implementation of the project activities foreseen in the PROs Modernisation Programme (including reengineering of business processes, new Tax Integrated IT system)						
<b>DELIVERABLES</b> New software New hardware						
<b>INDICATORS</b> a) E-submission of the "Calculation for all personal income payments (except the payments of salary)" b) Issuing pre-populated Annual Tax Return by PRO c) Improved Contact Centre and Tax Counters Services d) Re-engineered business processes for the new tax integrated IT system e) New tax integrated IT system HARDWARE f) New tax integrated IT system SOFTWARE g) Quality Assurance technical support for implementation of the new integrated IT system, provided for PRO h) Risk Evaluation System – RES for tax audit				<b>TARGET FY 2019</b> a) / b) Pre-populated Annual tax return submitted to the citizens c) / d) Redesigned and reengineered work processes for the new integrated IT system of the PRO in line with the EU standards and requirements, defined user requirements for the implementation of the new integrated IT system of the PRO, implemented BMP software and licenses e) Technical specification prepared f) Tender procedure launched g) Tender procedure launched h) /		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Implementation of the project activities foreseen in the PROs Modernisation Programme (including reengineering of business processes, new Tax Integrated IT system)	Q1 2016	Q4 2021				
<b>SUB-ACTIVITY</b>						
Issuing pre-populated Annual Tax Return by PRO (Upgrade and maintenance of e-Personal tax)	Q4 2016	Q4 2019	PRO	MoF	194,489 EUR = 12,000,000 MKD	National budget
Strengthening of PRO staff and new recruitments (35 new recruitments and 70 new reassignments)	Q1 2019	Q4 2019	PRO	MoF/MISA	380.875 EUR = 23,500,000 MKD	National budget



## 2019 Action Plan for Implementation of the PFM Reform Programme

Development and re-engineering of business processes for the new tax integrated IT system (prepare and deliver a Business Process Modeling (BPM2) showing global scheme of business processes which should be re-engineered and integrated in the new IT system ("TO-BE" system); supply - BMP software and licenses; Technical Specification for New tax integrated IT system hardware and software and for quality assurance - technical support for implementation)	Q4 2017	Q4 2019	PRO	MoF/MISA	299.766 EUR = 18,436,000 MKD  25.932 EUR = 1,600,000 MKD	FWC IPA II / EUIF 2014  National budget
Software for the new integrated tax IT system and technical support for providing quality assurance during the implementation of the software	Q4 2018	Q4 2021	PRO	DEU/MoF/PRO	8,130 EUR = 500.000,00 MKD**	National budget (**PRO-Procurement plan- Procurement of consulting services for the preparation of tender documentation and market analysis for the needs of the new integrated tax system and for the Disaster Recovery Center)
Establishment of new Data IT System Centre (secured location premises; design services and project supervision; Works Contract)	Q1 2018	Q4 2019	PRO	/	48.622 EUR = 3,000,000 MKD	National budget
Upgrade of current PRO IT sub-systems and equipment, maintaining, licenses etc. (Upgrade and maintenance of e-Tax system 7.000.000 MKD; Upgrade of Tax accounting system 5.000.000 MKD)	Q1 2018	Q4 2019	PRO	/	194,489 EUR = 12,000,000 MKD	National budget
<b>TOTAL:</b>						71,036,000 MKD
						1,152,303 EUR

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 2: Revenue Mobilization						
<b>MEASURE</b> P2M2: Improved tax and customs services and procedures						
<b>ACTIVITY</b> Activity 2(P2M2A2): Strengthening operational capacities of CARM to increase the quality of controls and responses and introducing further simplification of procedures						
<b>DELIVERABLES</b> Strengthened operational capacities of CARM						
<b>INDICATORS</b> a) Number of decisions to use simplified procedures increased i) Master Plan to overcome gaps and needs prepared ii) Action Plan and technical specification prepared iii) Number of trained customs officers and economic operators according the Plan				<b>TARGET FY 2019</b>  Prepared Twinning Fiche		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthening operational capacities of CARM to increase the quality of controls and responses and introducing further simplification of procedures	Q1 2016	Q4 2021				
<b>SUB-ACTIVITY</b>						
Drafting the Twinning Fiche including this component as part of one Twinning Fiche under IPA 2 - 2018	Q1 2018	Q2 2019	Customs Administration	DEU	9,150 EUR= 563,000 MKD	National budget
<b>TOTAL:</b>						563,000 MKD
						9,150 EUR

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 2: Revenue Mobilization						
<b>MEASURE</b> P2M2: Improved tax and customs services and procedures						
<b>ACTIVITY</b> Activity 3 (P2M2A3): Introducing enhanced models and methods to strengthen the control system to prevent, detect and fight against customs frauds and illegal trafficking of goods while facilitating the trade						
<b>DELIVERABLES</b> Enhanced models and methods of control by CARM						
<b>INDICATORS</b> a) No of financial investigations conducted i) Plan to overcome gaps and needs prepared ii) Upgrade of equipment and tools used by the customs officers to implement and enforce enhanced models and methods of controls				<b>TARGET FY 2019</b>  Prepared Twinning Fiche		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Introducing enhanced models and methods to strengthen the control system to prevent, detect and fight against customs frauds and illegal trafficking of goods while facilitating the trade	Q1 2018	Q4 2021				
<b>SUB-ACTIVITY</b>						
Analyses of gaps, needs to increase the quality of controls and responses throughout the country and Drafting this component as part of one Twinning Fiche under IPA 2 - 2018	Q1 2018	Q2 2019	Customs Administration	DEU	0* <u>*costs are included under the budget for activity P2M2A2</u>	<u>National budget</u>
						0

<b>PRIORITY</b> Priority 2: Revenue Mobilization
---

## 2019 Action Plan for Implementation of the PFM Reform Programme

MEASURE						
P2M2: Improved tax and customs services and procedures						
ACTIVITY						
Activity 4(P2M2A4): Provision of equipment and tools to implement enhanced models of control, facilitate trade and increase quality of services						
DELIVERABLES						
New equipment						
INDICATORS				TARGET FY 2019		
a) Preparation of technical specification				a) Technical specification prepared		
b) Procuring equipment						
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Provision of equipment and tools to implement enhanced models of control, facilitate trade and increase quality of services	Q1 2019	Q4 2020	Customs Administration	EUD		
SUB-ACTIVITY						
Preparation of the technical specification based on detailed technical Assessment and the Needs;	Q1 2019	Q2 2019			9,150 EUR = 563,000 MKD	National budget
Preparation of detailed requirements for the design, maintenance and operational support of the equipment, to be included in the specification;	Q1 2019	Q2 2019				
TOTAL					563,000 MKD	
					9,150 EUR	

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 2: Revenue Mobilization						
<b>MEASURE</b> P2M3: Ensuring stability of the PFM systems in case of crisis						
<b>ACTIVITY</b> Activity 1 (P2M3A1): Ensuring spatial facilities for Disaster Recovery Centre and establishment of Disaster Recovery Centre for PFM System						
<b>DELIVERABLES</b> • Disaster Recovery Centre established and operational						
<b>INDICATORS</b> a) Establishment of Disaster Recovery Centre				<b>TARGET FY 2019</b> Technical Specification prepared		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Establishment of Disaster Recovery Centre	Q4 2019	Q4 2021	PRO/ CARM	EUD		
SUB-ACTIVITY						
Defining user requirements (technical specification) for hardware and software for the Disaster Recovery Center	Q4 2018	Q4 2019	PRO/CARM	MoF/Ministry of Interior	0* *costs were included under the budget for activity P2M2A1 - PRO  EUR 7,000 = 430,500 MKD (CARM)	IPA 2 / EUIF 2014 Project "Development and reengineering of business processes for the new tax integrated IT system"  National budget  National budget
<b>TOTAL:</b>						430,500 MKD
						7,000 EUR

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b>	
<b>Priority 3: Planning and Budgeting</b>	
<b>INDICATORS</b>	<b>TARGET FY 2019</b>
Budget deficit reduction as % from previous year	<b>10% reduction</b>
Share of first level budget organisations that provide comprehensive performance information and programme indicators with their annual budget requests	<b>30%</b>
% deviation between annual budget of year N+1 with MTBF projections year N % deviation between annual budget of year N+2 with MTBF projections year N	<b>up to 10%</b> <b>up to 15%</b>
EDP notification tables prepared in accordance to ESA 2010	<b>50%</b>

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M1: Upgraded programme based budget approach and improved project information						
<b>ACTIVITY</b> Activity 1 (P3M1A1): Implementation of the proposed program based budgeting approach						
<b>DELIVERABLES</b> Draft methodology and guidelines for new programme budgeting						
<b>INDICATORS</b> a) Improvement of methodology and guidelines for new programme budgeting b) Trainings for programme budgeting conducted c) % of budget users applying new classification				<b>TARGET FY 2019</b> a) Draft-Methodology and guidelines for new programme budgeting prepared		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Implementation of the proposed program based budgeting approach	Q1 2019	Q4 2021				
SUB-ACTIVITY						
Strengthening the capacities of the Ministry of Finance and the budget users for appropriate implementation of budget programmes	2019		MoF and budget users	Foreign and domestic experts	EUR 44,390 = 2,730,000 MKD + foreign experts costs	National Budget Donors
Process analysis, monitoring and control of programme budgeting	2019		MoF and budget users		EUR 80,000 = 4,920,000 MKD + foreign experts costs	National Budget Donors
<b>TOTAL:</b>					EUR 124,390	
					MKD 7,650,000	

*Explanation: These two subactivities will continue in 2019 as a part of the work that Ministry of finance is doing with foreign experts and as a part of new organic budget law. These activities are related to secondary legislation preparation, more precisely with drafting Methodology and guidelines for new programme budgeting. In this stage it is important to have meeting with budget users and make further analyses. Process of strengthening the capacities, trainings, monitoring and control of programme budgeting will come once we have established proper programme classification.*

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M2: Improving the medium-term budget planning						
<b>ACTIVITY</b> Activity 1 (P3M2A1): Introduction of comprehensive Medium-term Budget Framework (MTBF) and linking ERP preparation to it						
<b>DELIVERABLES</b> Updated Fiscal Strategy document based on updated Medium-term Budget Framework						
<b>INDICATORS</b> a) Comprehensive Medium-term Budget Framework (MTBF) in place				<b>TARGET FY 2019</b> Fiscal strategy adopted		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Introduction of comprehensive Medium-term Budget Framework (MTBF) and linking ERP preparation to it	Q1 2019	Q4 2021	MoF - Budget and Funds Department			
SUB-ACTIVITY						
Analyses of the current data, documents, guidelines and proposals provided by the IPA project; ** Starting from 2019, the MoF in cooperation with foreign experts will conduct an analysis of existing documents and data provided with the IPA project and will start with drafting secondary legislation for MTBF and budget expenditures planning.	2019		MoF - Budget and Funds Department and other relevant departments	foreign experts	EUR 17,073 = 1,050,000 MKD	National budget Donors
Preparing an analysis of fiscal risks in a separate chapter as part of the medium-term Fiscal Strategy	2019		MoF - Budget and Funds Department and other relevant departments			
<b>TOTAL:</b>						EUR 17,073
						MKD 1,050,000



## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M2: Improving the medium-term budget planning						
<b>ACTIVITY</b> Activity 2 (P3M2A2): Improvement of budget forecasting tools (introduction of the baseline scenario, new initiatives)						
<b>DELIVERABLES</b> New tools for baseline estimates and costing of new policies						
<b>INDICATORS</b> a) New tools for baseline estimates and costing of new policies in place				<b>TARGET FY 2019</b> New tools for baseline estimates and costing of new policies in place		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Improvement of budget forecasting tools (introduction of the baseline scenario, new initiatives)	2019	Q4 2021	MoF - Budget and Funds Department			
SUB-ACTIVITY						
Drafting guidelines for improvement of budget forecasting tools ***Once we have new budget law in place secondary legislation related to the law regarding improvement of budget forecasting tools should be drafted			MoF - Budget and Funds Department and other relevant departments	foreign experts	EUR 17,073 = 1,050,000 MKD to be calculated	National budget Donors
<b>TOTAL:</b>						EUR 17,073
						MKD 1,050,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M3: Revised Organic Budget Law in line with the improvements of the PFM system						
<b>ACTIVITY</b> Activity 1 (P3M3A1): Preparation and adoption of new/revised organic budget law						
<b>DELIVERABLES</b> New organic budget law						
<b>INDICATORS</b> New organic budget law prepared				<b>TARGET FY 2019</b> New organic budget law adopted		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Preparation and adoption of new/revised organic budget law	Q1 2017	2019				
SUB-ACTIVITY						
Adoption of a new/revised organic budget law	2019	2019	Assembly		£	
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M5: Developed capacities for compilation of EDP notification tables						
<b>ACTIVITY</b> Activity 1 (P3M5A1): Strengthening the human capacities that will bear the burden of the activities planned						
<b>DELIVERABLES</b> EDP notification tables						
<b>INDICATORS</b>  Number of persons employed in the relevant area				Target FY 2019  See P1M3A4		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthening the human capacities that will bear the burden of the activities planned	2019	2021	State Statistical Office		0* * costs are included under the budget for activity P1M3A4	National budget (According to the 2019 SSO plan for employments)
TOTAL:						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M5: Developed capacities for compilation of EDP notification tables						
<b>ACTIVITY</b> Activity 2 (P3M5A2): Development of a methodological knowledge for preparation of EDP notification tables						
<b>DELIVERABLES</b> EDP notification tables						
<b>INDICATORS</b>  % of compiled EDP notification tables				Target FY 2019  50		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Development of a methodological knowledge for preparation of EDP notification tables	2019	2021	State Statistical Office		0* * costs are included under the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 3: Planning and Budgeting						
<b>MEASURE</b> P3M5: Developed capacities for compilation of EDP notification tables						
<b>ACTIVITY</b> Activity 3 (P3M5A3): Preparation of ESA 2010 based EDP Inventory						
<b>DELIVERABLES</b> EDP notification tables						
<b>INDICATORS</b> % of completeness of EDP Inventory, compliant to ESA 2010				<b>TARGET FY 2019</b> 30		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Preparation of ESA 2010 based EDP Inventory	2019	2021	State Statistical Office		0* * costs are included under the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY Priority 4: Budget Execution	
INDICATORS	TARGET FY 2019
Introduction of new modules	/
% of budget users electronically connected to new IT system	/
Extent of alignment of the PPL to EU Acquis and Directives	/
Average No of tenderers per tender	3
Percentage of first line budget users audited by SAO with irregularities detected on non compliance with the PP regulations	Reports of SAO
Ratio of solved out of received appeals	Minimum 90 % cases solved
Extent of use of modern procurement techniques and methods (E-Marketplace for small value procurement and e – catalogues)	0
Percentage of complaints rejected by SAC	/
% of appeals submitted electronically via the e-Appeal system (+ raising trend)	0
% of available EU compliant macroeconomic indicators	40%
% of indicators produced	5%
% of statistical processes covered by re-engineered IT system for statistical production	15%

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> П4М1: Implementation of new financial management information system (FMIS)						
<b>ACTIVITY</b> Activity 1 (P4M1A1): 1: Supporting the Development of Integrated Financial Management Information System						
<b>DELIVERABLES</b> Functional and Technical Specifications of new IFMIS						
<b>INDICATORS</b> a) Preparation of Functional and Technical Specifications of new IFMIS				<b>TARGET FY 2019</b> Functional and Technical Specifications of new IFMIS prepared and delivered		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Supporting the Development of Integrated Financial Management Information System	Q4 2018	Q4 2019	MoF	NBRNM (National bank), KIBS , PRO, Customs, Social funds, budget users	USD 150,000= EUR 7,950,000	Donors
SUB-ACTIVITY						
Technical support for development of IFMIS requirements and procurement documents	Q4 2018	Q4 2019	MoF	NBRNM (National bank), KIBS , PRO, Customs, Social funds, budget users	£	£
<b>TOTAL:</b>						MKD 7,950,000
						EUR 129,300

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M2: Strengthening commitment controls						
<b>ACTIVITY</b> Activity 1 (P4M2A1): Publication of quarterly reports on registered commitments data according to Law on registering and reporting of commitments						
<b>DELIVERABLES</b> Quarterly reports on registered commitments data according to Law on registering and reporting of commitments						
<b>INDICATORS</b> (%) Number of subjects who record commitments according to Law/total number of subjects obliged to register commitments				<b>TARGET FY 2019</b> 90		
<b>ACTIVITY</b>	<b>TIMEFRAME</b>		<b>RESPONSIBLE INSTITUTION</b>	<b>OTHER INSTITUTIONS INVOLVED</b>	<b>PLANNED INPUTS</b>	
	<b>START qq/yy</b>	<b>END qq/yy</b>			<b>BUDGET</b>	<b>SOURCE</b>
Publication of quarterly reports on registered commitments data according to Law on registering and reporting of commitments	Q3/2018	continuously quarterly	Ministry of Finance	Budget users and other institutions define by Law on registering and reporting of commitments	EUR 8,500 = 523,000 MKD	National budget
<b>SUB-ACTIVITY</b>						
Preparation of quarterly reports on registered commitments according to Law on registering and reporting of commitments	Q3/2018	continuously quarterly	Ministry of Finance	Budget users and other institutions define by Law on registering and reporting of commitments	EUR 8,500 = 523,000 MKD	National budget
					<b>TOTAL:</b>	MKD 523,000
						EUR 8,500



## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> P4M3: Strengthening debt management						
<b>ACTIVITY</b> Activity 1 (P4M3A1): Revision of the debt legislation						
<b>DELIVERABLES</b> Public debt legislation amendments adopted						
<b>INDICATORS</b> Adopted amendments to the Public debt law				<b>TARGET FY 2019</b> Adopted amendments to the Public debt law		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Revision of the debt legislation	Q4 2017	Q1 2019	Ministry of Finance			
<b>SUB-ACTIVITY</b>						
Adoption of the amendments to the Public debt Law	Q4 2018	Q1 2019	Assembly	Ministry of Finance		
					<b>TOTAL:</b>	0
<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> P4M3: Strengthening debt management						

## 2019 Action Plan for Implementation of the PFM Reform Programme

ACTIVITY						
Activity 2 (P4M3A2): Preparation of the Debt Management Strategy as separate document						
DELIVERABLES						
Debt management strategy						
INDICATORS				TARGET FY 2019		
Preparation of debt management strategy				Debt Management Strategy adopted		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Preparation of the Debt Management Strategy as separate document	Q1 2019	Q2 2019	Ministry of Finance			
SUB-ACTIVITY						
Capacity building/trainings – continuous activity	Q1 2019	Q4 2019	Ministry of Finance	none	MKD 111,000=EUR 1,800	National budget
Preparation of Debt Management Strategy as separate document	Q1 2019	Q2 2019	Ministry of Finance	none	MKD 119,000=EUR 1,931	National budget
Adoption of Debt Management Strategy as separate document	Q2 2019	Q2 2019	Government	Ministry of Finance		National budget
					<b>TOTAL:</b>	MKD 230,000
						EUR 3,731

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> P4M3: Strengthening debt management						
<b>ACTIVITY</b> Activity 3 (P4M3A3): Supplementing current risk indicators for refinancing and interest rate risk						
<b>DELIVERABLES</b> new indicators for risk measurement						
<b>INDICATORS</b> New indicators for risk measurement introduced				<b>TARGET FY 2019</b> New indicators introduced		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Supplementing current risk indicators for refinancing and interest rate risk	Q3 2017	Q2 2019	Ministry of Finance			
<b>SUB-ACTIVITY</b>						
Capacity building/ trainings	Q3 2017	Q2 2019	Ministry of Finance	WB Treasury	MKD 268,000=EUR 4,356	WB expert cost will be cover by WB under GDRM Program.
Strengthen the analytical foundation of the debt management strategy	Q4 2018	Q2 2019	Ministry of Finance		MKD 28,000 = EUR 457	National Budget
					<b>TOTAL:</b>	MKD 296,000
						EUR 4,813

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> P4M3: Strengthening debt management						
<b>ACTIVITY</b> Activity 4 (P4M3A4): Strengthening human capacities						
<b>DELIVERABLES</b> Strengthened human capacities for debt management						
<b>INDICATORS</b> a) number of newly employed staff				<b>TARGET FY 2019</b> 2 new recruitments		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthening the capacities for debt management planning	Q4 2017	Q1 2020	Ministry of Finance			
SUB-ACTIVITY						
Vacancy announcement	Q1 2019	Q1 2020	Ministry of Finance		MKD 1,200,000=EUR 19,512	National Budget
<b>TOTAL:</b>						MKD 1,200,000
						EUR 19,512

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> P4M3: Strengthening debt management						
<b>ACTIVITY</b> Activity 5 (P4M3A5): Improving MTDS framework and coordination with Debt Sustainability Analysis						
<b>DELIVERABLES</b> Debt management strategy						
<b>INDICATORS</b> Improvement of Debt management strategy with DSA and MTDS tools				<b>TARGET FY 2019</b> /		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Improving MTDS framework and coordination with Debt Sustainability Analysis	Q1 2019	Q2 2021	Ministry of Finance			
<b>SUB-ACTIVITY</b>						
World Bank Mission within Government Debt and Risk Management Programme	Q3 2019	Q2 2021	Ministry of Finance	World bank	MKD 567,000=EUR 9,220	WB expert cost will be cover by WB under GDRM Program.
<b>TOTAL:</b>						MKD 567,000
						EUR 9,220

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget execution						
<b>MEASURE</b> P4M3: Strengthening debt management						
<b>ACTIVITY</b> Activity 8 (P4M3A8): Enhance cash forecasting and expand the horizon of cash planning						
<b>DELIVERABLES</b> Strengthened cash forecasting process						
<b>INDICATORS</b> New cash forecasting procedure developed				<b>TARGET FY 2019</b> New excel tool for cash forecasting with horizon T+90 is created and put in use		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Enhance cash forecasting and expand the horizon of cash planning	Q1 2019	Q4 2019	Ministry of Finance	PRO, Custom Office, NBRNM, HIF, PDIF, EA	MKD 517,500 = EUR 8,415	National budget
<b>SUB-ACTIVITY</b>						
Design of new cash forecasting procedure	Q1 2019	Q3 2019	Ministry of Finance			
Provide and update data basis (relevant time series and variables)	Q1 2019	Q4 2019	Ministry of Finance			
					<b>TOTAL:</b>	MKD 517,500
						EUR 8,415

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M4: Strengthening public procurement system						
<b>ACTIVITY</b> Activity 1 (P4M4A1): Streamlining (revision) of the mandate and responsibilities of the institutions involved in the public procurement system						
<b>DELIVERABLES</b> New Law on Public Procurement and new employees in PPB and SAC						
<b>INDICATORS</b> a) Modified competencies of relevant institutions in public procurement in accordance with the analysis according the SIGMA Report b) Number of newly recruited staff			<b>TARGET FY 2019</b> a) New competencies of relevant institutions in public procurement b) 25 new recruitments in PPB and 3 in SAC			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Streamlining (revision) of the mandate and responsibilities of the institutions involved in the public procurement system	Q3 2017	Q4 2019				
SUB-ACTIVITY						
Strengthening the capacities of PPB	Q2 2018	Q4 2019	MoF	PPB	MKD 10,000,000 = EUR 162,600	National budget
Strengthening the capacities of SAC	Q4 2018	Q3 2019	MoF	SAC	MKD 1,070,000 = EUR 17,400	National budget
					<b>TOTAL:</b>	MKD 11,070,000
						EUR 180,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M4: Strengthening public procurement system						
<b>ACTIVITY</b> Activity 2( <b>P4M4A2</b> ): Harmonisation of the Public Procurement legal framework with the acquis						
<b>DELIVERABLES</b> New Law on Public Procurement						
<b>INDICATORS</b> a) Level of alignment with EU acquis b) Competition rate: - one bid tender (only from electronic procedures)			<b>TARGET FY 2019</b> a) Legislation harmonised with EU acquis b) 25%			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Harmonisation of the Public Procurement legal framework with the acquis	Q4 2017	Q2 2020				
<b>SUB-ACTIVITY</b>						
Adoption of new Law on Public Procurement	Q4 2017	Q1 2019	MoF	PPB; SAC		
Adoption of the Bylaws deriving from the new Law on Public Procurement	Q4 2018	Q2 2020	PPB	MoF	MKD 465,000 = EUR 7,500	Budget of PPB
<b>TOTAL:</b>						MKD 465,000
						EUR 7,500



## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M4: Strengthening public procurement system						
<b>ACTIVITY</b> Activity 3(P4M4A3): Institutional strengthening of the public procurement system, including the review set-up						
<b>DELIVERABLES</b> Clear user friendly guidelines and instructions standard documents and other tools available to CA and Procurement officials						
<b>INDICATORS</b> a) Nature and extent of clear user friendly guidelines and instructions standard documents and other tools available to CA and Procurement officials SIGMA Report b) Number of trained procurement officers per year c) % of decisions of the State Appeal Commission challenged at the Administrative court and % of Appeal commission decisions cancelled			<b>TARGET FY 2019</b> Prepared twinning fiche			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Institutional strengthening of the public procurement system, including the review set-up	Q2 2018	Q4 2020				
SUB-ACTIVITY						
Drafting the Twinning Fiche including this component as part of one Twinning Fiche under IPA 2 - 2018	Q1 2019	Q4 2019	PPB	MoF, SAC	MKD 196,000 = EUR 3,180	Budget of PPB
<b>TOTAL:</b>						MKD 196,000
						EUR 3,180

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M4: Strengthening public procurement system						
<b>ACTIVITY</b> Activity 4( <b>P4M4A4</b> ): Introduction of an E-Appeal system						
<b>DELIVERABLES</b> New Law on Public Procurement						
<b>INDICATORS</b> a) % of appeals submitted electronically via the e-Appeal system (+ raising trend) b) Introduction of new modules on ESPP c) New Law on Public Procurement and bylaws			<b>TARGET FY 2019</b> a) Prepared tender documentation b) Development of software for introduction of e-complaints in the State Commission for complaints on public started			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION		PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Introduction of an E-Appeal system	Q2 2017	Q2 2020				
SUB-ACTIVITY						
Preparation of tender documentation and development of software for introduction of e-complaints in the State Commission for complaints on public procurement and implementation of the software	Q2 2019	Q2 2020	SAC	PPB	0* * costs are included under the budget for activity P4M4A8	IPA 2018 Funds - service contract
<b>TOTAL:</b>					0	
					0	

<b>PRIORITY</b> Priority 4: Budget Execution
---

## 2019 Action Plan for Implementation of the PFM Reform Programme

MEASURE P4M4: Strengthening public procurement system						
ACTIVITY Activity 8 (P4M4A8): E-Marketplace for small value procurement and e – catalogues						
DELIVERABLES New Law on Public Procurement New procurement tools: e-marketplace for small value procurement and e-catalogues						
INDICATORS No of recommendations for implementation of new procurement tools: e-marketplace for small value procurement and e-catalogues				TARGET FY 2019 a) Prepared tender documentation b) Development of software for e -marketplace for small value procurement and e-catalogues started		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
E-Marketplace for small value procurement and e – catalogues	Q1 2018	Q4 2020				
SUB-ACTIVITY						
Preparing tender documentation and development of software for e-marketplace for small value procurement and e-catalogues	Q2 2019	Q2 2020	PPB		MKD 18,450,000 = EUR 300,000	IPA 2018 Funds - service contract
TOTAL:						MKD 18,450,000
						EUR 300,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY Priority 4: Budget Execution						
MEASURE P4M5: Effective PPP and concessions system						
ACTIVITY Activity 1 (P4M5A1): Establish/upgrade/unify and publish register of PPPs						
DELIVERABLES Amended Law on Concessions and Public Private Partnership						
INDICATORS Comprehensive, timely and reliable data on concluded agreements for the establishment of a public-private partnership			TARGET FY 2019 Adopted amendment to the Law on Concessions and Public Private Partnership			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Establish/upgrade/unify and publish register of PPPs	K4 2018	K4 2020	Ministry of Economy (ME)			
SUB-ACTIVITY						

## 2019 Action Plan for Implementation of the PFM Reform Programme

Draft version of the amendment to the Law on Concessions and Public Private Partnership with a view to harmonization with the EU legislation and establishing a single system for awarding public-private partnership agreements, ie Single Electronic Public Private Partnership System through which announcements for awarding of this type of contracts, the whole procedure will be implemented and will contain a register of concluded contracts (a sublimated system for awarding contracts for establishing a public-private partnership from the beginning ok to end)	Q4 2018	Q1 2019	ME	Inter-ministerial Working Group comprised of representatives of the ME, MoF, Ministry of Transport and Communications, Ministry of Culture, Ministry of Environment and Physical Planning, Ministry of Agriculture, Forestry and Water Economy, Ministry of Education and Science, Ministry of Health, The Secretariat for European Affairs, the Office of the Deputy Prime Minister for Economic Affairs	EUR 3,600 = MKD 221,000	<u>National budget</u>  ( <u>Technical and financial assistance from foreign donors</u> )
Preparation of the Draft Law on Amending the Law on Concessions and Public Private Partnership and preparation of the bylaws	Q2 2019	Q3 2019	ME	Inter-ministerial Working Group	EUR 4,800 = MKD 295,000	<u>National budget</u>  ( <u>Technical and financial assistance from foreign donors</u> )
Preparation of draft specification for upgrading / establishing a single electronic system for public-private partnership	Q3 2019	Q4 2019	ME	PPB	EUR 1,800 = MKD 111,000	<u>National budget</u>  ( <u>Technical and financial assistance from foreign donors</u> )

### 2019 Action Plan for Implementation of the PFM Reform Programme

Implementation of the overall procedure for adoption of the Law on Amending the Law on Concessions and Public Private Partnership by the Assembly of the Republic of North Macedonia	Q4 2019	Q4 2019	ME	Inter-ministerial Working Group	EUR 7,200 = MKD 443,000	<u>National budget</u>  <u>(Technical and financial assistance from foreign donors)</u>
						TOTAL:
						MKD 1,070,000
						EUR 17,400

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M5: Effective PPP and concessions system						
<b>ACTIVITY</b> Activity 3 ( <b>P4M5A3</b> ): Harmonisation of legislation in line with relevant EU acquis						
<b>DELIVERABLES</b> Amended Law on Concessions and Public Private Partnership						
<b>INDICATORS</b> Level of compliance with EU legislation			<b>TARGET FY 2019</b> Adopted amendment to the Law on Concessions and Public Private Partnership			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Harmonisation of legislation in line with relevant EU acquis	Q4 2018	Q4 2019	Ministry of Economy (ME) MoF			
SUB-ACTIVITY						
Preparation of Draft version for amendments to the Law on Concessions and Public-Private Partnership for the purpose of transposing the 2014/23 / EU Directive on the award of concession contracts	Q4 2018	Q1 2019	ME MoF	Inter-ministerial Working Group	EUR 3,600 = MKD 221,000 *(funds are provided within the budget for activity P4M5A1)	<u>National budget</u>  (Technical and financial assistance from foreign donors)
Preparation of a Draft Law on Amending the Law on Concessions and Public-Private Partnership	Q2 2019	Q3 2019	ME MoF	Inter-ministerial Working Group	EUR 4,800 MKD 295,000  *(funds are provided within the budget for activity P4M5A1)	<u>National budget</u>  (Technical and financial assistance from foreign donors)

### 2019 Action Plan for Implementation of the PFM Reform Programme

Implementation of the overall procedure for adoption of the Law on Amending the Law on Concessions and Public Private Partnership by the Assembly of the Republic of North Macedonia	Q4 2019	Q4 2019	ME MoF	Inter-ministerial Working Group	EUR 7,200 MKD 443,000  *(funds are provided within the budget for activity P4M5A1)	<u>National budget</u>  <u>(Technical and financial assistance from foreign donors)</u>
<b>TOTAL:</b>						0



## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M6: General Government Accounts established in accordance with ESA 2010 and made available for policy makers						
<b>ACTIVITY</b> Activity 1 (P4M6A1): Strengthening of human capacities that will bear the burden of the activities planned						
<b>DELIVERABLES</b> • Quarterly general government accounts						
<b>INDICATORS</b> a) Number of persons employed in the relevant area				<b>TARGET FY 2019</b> See P1M3A4		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthening of human capacities that will bear the burden of the activities planned	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A4	SSO budget (According to the 2019 plan for employments)
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M6: General Government Accounts established in accordance with ESA 2010 and made available for policy makers						
<b>ACTIVITY</b> Activity 2 (P4M6A2): Assessment of the availability and quality of data necessary for production of Government Finance Statistics on quarterly level						
<b>DELIVERABLES</b> • Quarterly general government accounts						
<b>INDICATORS</b> a) % of available data for production of quarterly GFS				<b>TARGET FY 2019</b> 60		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Assessment of the availability and quality of data necessary for production of Government Finance Statistics on quarterly level	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M6: General Government Accounts established in accordance with ESA 2010 and made available for policy makers						
<b>ACTIVITY</b> Activity 3 (P4M6A3): Development of a capacity for implementing of methodology for calculation of General Government Accounts						
<b>DELIVERABLES</b> • Quarterly general government accounts						
<b>INDICATORS</b> a) Number of staff trained				<b>TARGET FY 2019</b> 3 persons trained		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Development of a capacity for implementing of methodology for calculation of General Government Accounts	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M6: General Government Accounts established in accordance with ESA 2010 and made available for policy makers						
<b>ACTIVITY</b> Activity 4 (P4M6A4): Comprehensive, timely, and reliable reporting of quarterly general government accounts						
<b>DELIVERABLES</b> • Quarterly general government accounts						
<b>INDICATORS</b> a) % of quarterly general government accounts compiled				<b>TARGET FY 2019</b> 60		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Comprehensive, timely, and reliable reporting of quarterly general government accounts	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M6: General Government Accounts established in accordance with ESA 2010 and made available for policy makers						
<b>ACTIVITY</b> Activity 5 (P4M6A5): Calculation of quarterly General Government Accounts						
<b>DELIVERABLES</b> • Quarterly general government accounts						
<b>INDICATORS</b> a) % of quarterly general government accounts compiled				<b>TARGET FY 2019</b> 60		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Calculation of quarterly General Government Accounts	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M6: General Government Accounts established in accordance with ESA 2010 and made available for policy makers						
<b>ACTIVITY</b> Activity 6 (P4M6A6): To make quarterly General Government Accounts available for users						
<b>DELIVERABLES</b> • Quarterly general government accounts						
<b>INDICATORS</b> a) Preparedness of transmission tables				<b>TARGET FY 2019</b> /		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
To make quarterly General Government Accounts available for users	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M7: Strengthening statistical services						
<b>ACTIVITY</b> Activity 3 (P4M7A3): Strengthened capacity on using standard IT tools for data processing of survey data						
<b>DELIVERABLES</b> • New software • New hardware						
<b>INDICATORS</b> a) Number of new data processing IT tools adopted and implemented				<b>TARGET FY 2019</b> 12 new tools		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Strengthened capacity on using standard IT tools for data processing of survey data	Q1 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M7: Strengthening statistical services						
<b>ACTIVITY</b> Activity 4 (P4M7A4): Technical assistance for defining the business requirements of different parts of the re-engineered IT system for statistical production						
<b>DELIVERABLES</b> • New software • New hardware						
<b>INDICATORS</b> a) Business requirements of different parts of the re-engineered IT system for statistical production prepared for tendering				<b>TARGET FY 2019</b> Document with description available for tendering		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Technical assistance for defining the business requirements of different parts of the re-engineered IT system for statistical production	Q1 2019	Q4 2019	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0



## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M7: Strengthening statistical services						
<b>ACTIVITY</b> Activity 5 (P4M7A5): Outsourced software development of IT system, maintenance and support						
<b>DELIVERABLES</b> • New software • New hardware						
<b>INDICATORS</b> a) % of developed and tested modules of the system				<b>TARGET FY 2019</b> /		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Outsourced software development of IT system, maintenance and support	Q3 2019	Q4 2021	State Statistical Office		0 *funds are provided within the budget for activity P1M3A1	IPA 2017 National programme – service contract
<b>TOTAL:</b>						0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 4: Budget Execution						
<b>MEASURE</b> P4M7: Strengthening statistical services						
<b>ACTIVITY</b> Activity 7 (P4M7A7): Upgrading of the IT infrastructure (hardware and software) and putting the new IT system into production, maintenance and support						
<b>DELIVERABLES</b> • New software • New hardware						
<b>INDICATORS</b> a) Drafted detailed specification for the equipment b) Tendering procedure completed				<b>TARGET FY 2019</b> Specification prepared Start of a tendering procedure		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Upgrading of the IT infrastructure (hardware and software) and putting the new IT system into production, maintenance and support  <i>*(Within IPA 2017 service contract a technical specification for the supply contract will be prepared)</i>	Q4 2019	Q3 2020	State Statistical Office		159 000 Eur = 9,779,000 MKD	IPA 2017 National programme – supply contract
<b>TOTAL:</b>						MKD 9,779,000
						EUR 159,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY Priority 5: Transparent Government Reporting	
INDICATORS	TARGET FY 2019
Higher rank in the Open Budget Index	40 out of 100
Citizen budget published	Citizen's Budget published

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 5: Transparent Government Reporting						
<b>MEASURE</b> P5M1: Improved transparency through government reporting						
<b>ACTIVITY</b> Activity 1 (P5M1A1): Publishing additional data on the MoF website						
<b>DELIVERABLES</b> Reports, additional data on the MoF website  Citizen's Budget						
<b>INDICATORS</b> New fiscal information published			<b>TARGET FY 2019</b> - New fiscal information - Report for fiscal transparency evaluation of IMF			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Publishing additional data on the web site of MoF	Q1 2018	Q4 2021				
<b>SUB-ACTIVITY</b>						
Preparing and publishing additional data	2017	Continuously during the Programme	MoF	budget users	5,000 eur = 308,000 MKD	National budget
					MKD 308,000	
					EUR 5,000	

<b>PRIORITY</b> Priority 5: Transparent Government Reporting
---

## 2019 Action Plan for Implementation of the PFM Reform Programme

MEASURE						
P5M1: Improved transparency through government reporting						
ACTIVITY						
Activity 2(P5M1A2): New web portals for improving fiscal transparency						
DELIVERABLES						
Citizen's Budget						
Data from the Treasury system of MoF						
INDICATORS				TARGET FY 2019		
Publishing of Citizen's Budget				Citizen's Budget published		
Publishing data from the Treasury system of MoF				Data from the Treasury system of MoF published		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
New web portals for improving fiscal transparency	2018	2021				
SUB-ACTIVITY						
Portal "Open Finance"	2018	Continuously during the Programme	MoF		13,000 eur= 800,000 MKD	Donor
Portal "Citizen's Budget"	2018	Continuously during the Programme	MoF		24,300 eur = 1,500,000 MKD	<u>National budget</u>
					MKD 2,300,000	
					EUR 37,300	

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY Priority 6: Internal Control	
INDICATORS	TARGET FY 2019
% of implemented internal audit recommendations	45%
% of risk based internal audit coverage of CG+LG	69%
Number of budget users applying decentralized system for managing public funds	49%
Positive Internal audit opinion on performance information submitted by institutions of CG and LG on their programmes (% coverage)	15%
% of programmes audited annually	25%

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 6: Internal Control						
<b>MEASURE</b> P6M1: Improved PIFC (FMC and IA) legislation and methodological framework						
<b>ACTIVITY</b> Activity 1 ( <b>P6M1A1</b> ): Preparing the new PIFC legislation						
<b>DELIVERABLES</b> a) New PIFC Law b) New rulebooks for Financial Management and Control (FMC) c) New rulebooks for Internal Audit (IA) d) New FMC Manual e) New IA Manual						
<b>INDICATORS</b> a) New PIFC Law b) New rulebooks for FMC c) New rulebooks for IA d) New FMC Manual e) New IA Manual				<b>TARGET FY 2019</b> a) PIFC Law prepared and adopted b) Rulebooks for FMC prepared c) Rulebooks for IA prepared		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
<b>1.Preparing the new PIFC legislation</b>	<b>Q1 2018</b>	<b>Q4 2020</b>				
<b>SUB-ACTIVITY</b>						
Public discussion on Draft PIFC law	Q1 2019	Q1 2019	MoF - CHU	Other stakeholders		
Preparation of final Draft PIFC law and submission to the government for adoption	Q2 2019	Q2 2019	MoF - CHU	Legal secretariat Government	10,898 EUR = 670,000 MKD	IPA 2014 Twinning Light Project
Adoption of the PIFC law by the Parliament	Q3 2019	Q4 2019	MoF	Government, Parliament		

### 2019 Action Plan for Implementation of the PFM Reform Programme

Preparation and adoption FMC rulebooks	Q2 2019	Q1 2020	MoF	Legal secretariat	15,392 EUR = 947,000 MKD	IPA 2014 Twinning Light Project
Preparation and adoption IA rulebooks	Q2 2019	Q1 2020	MoF	Legal secretariat	15,392 EUR = 947,000 MKD	IPA 2014 Twinning Light Project
<b>TOTAL:</b>						MKD 2,564,000
						EUR 41,682



## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 6: Internal Control						
<b>MEASURE</b> P6M1: Improved PIFC (FMC and IA) legislation and methodological framework						
<b>ACTIVITY</b> Activity 2 (P6M1A2): Promoting the concept of public internal control system to the managers of the entities of the central and local level						
<b>DELIVERABLES</b> Raised awareness of the managers of the entities of the central and local level on the need for improving the PIFC system						
<b>INDICATORS</b> a) Number of promoted institutions				<b>TARGET FY 2019</b> 2		
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Promoting the concept of public internal control system to the managers of the entities of the central and local level	Q4 2019	Q4 2021				
SUB-ACTIVITY						
Selection and promoting "state institutions" in the implementation of the system of internal financial controls;	Q3 2019	Q4 2019	MoF	Selected institutions	20,727 EUR = 1,275,000 MKD	IPA 2014 Twinning Light Project
Creation of network of institutions for exchange of experiences	Q3 2019	Q4 2019	MoF	Public sector institutions	10,440 EUR = 642,000 MKD	IPA 2014 Twinning Light Project
<b>TOTAL:</b>						MKD 1,917,000
						EUR 31,167

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY Priority 6: Internal Control						
MEASURE P6M2: Strengthened administrative capacities on central and local level on FMC and IA						
ACTIVITY Activity 1 (P6M2A1): Establishing system of continuous training and on the job training						
DELIVERABLES Adopted Public Finance School Law Adopted Rulebooks for continuous trainings for FMC and IA Adopted Rulebook for training and exam for certification of internal auditors Trainings						
INDICATORS a) Public Finance School established b) Adoption of Rulebooks for continuous trainings for FMC and IA c) Adoption of Rulebook for training and exam for certification of internal auditors d) Organised trainings and exams			TARGET FY 2019 a) / b) Rulebooks for continuous trainings for FMC and IA prepared c) / d) /			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Establishing system of continuous training and the job training	Q2 2019	Q4 2021	MoF			
SUB-ACTIVITY						
Conducting assessment with recommendations for manner of organisation of Public Finance School;	Q4 2019	Q1 2020	MoF		5,000 EUR = 307,500 MKD	IPA 2018 Twinning Project
Preparation and adoption of Rulebooks for continuous trainings for FMC and IA;	Q2 2019	Q1 2020	MoF	Legal secretariat	5,000 EUR = 307,500 MKD	IPA 2014 Twinning Light Project
Preparation and adoption of Rulebook for training and exam for certification of internal auditors;	Q4 2019	Q2 2020	MoF	Legal secretariat	5,000 EUR = 307,500 MKD	IPA 2018 Twinning Project
						MKD 922,500
						EUR 15,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 6: Internal Control						
<b>MEASURE</b> P6M2: Strengthened administrative capacities on central and local level on FMC and IA						
<b>ACTIVITY</b> Activity 2(P6M2A2): Establishing system for supervision of IA and FMC units						
<b>DELIVERABLES</b> Established system for supervision of IA and FMC units						
<b>INDICATORS</b> a) Increased human capacities of the CHU for supervision b) Training of the staff c) Implemented supervisions on FMC and IA units			<b>TARGET FY 2019</b> a) Supervision tasks assigned to current CHU staff b) Supervision training for CHU staff assigned to perform supervision tasks c) Supervisions on FMC and IA units implemented			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Establishing system for supervision of IA and FMC units	Q1 2018	Q4 2021				National budget
<b>SUB-ACTIVITY</b>						
Preparation and adoption of amendments to Rulebooks on organisation and operation and on systematisation of working posts of the MoF for assigning new supervision tasks to current CHU staff	Q1 2019	Q4 2019	MoF	/		
Conducting training of the staff	Q3 2019	Q4 2019	MoF		5,000 EUR = 308,000 MKD	National budget
Quality assurance through implementation of supervisions on FMC and IA units	Q3 2019	Q4 2021	MoF - CHU			
					<b>TOTAL:</b>	MKD 308,000
						EUR 5,000

<b>PRIORITY</b> Priority 7: External Control and Parliamentary Oversight
---

## 2019 Action Plan for Implementation of the PFM Reform Programme

INDICATORS	TARGET FY 2019
% of external audit recommendations leading to corrective measures	60%
% of audit coverage of the total public expenditure	50%
Number of performance audits	5
No of audit reports discussed by the Parliament	0

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 7: External Control and Parliamentary Oversight						
<b>MEASURE</b> P7M1: Improved strategic planning and external audit process in line with the ISSAIs						
<b>ACTIVITY</b> Activity 1( <b>P7M1A1</b> ): Development and implementation of Strategic Plan of SAO						
<b>DELIVERABLES</b> Assessment Report on improvement of audit process prepared Guidelines on suggesting audits for annual programme amended as regards strategic audit planning process Multi-annual Audit Plan 2020-2022 prepared						
<b>INDICATORS</b> a) Assessment Report on improvement of audit process as per ISSAI b) Strategic audit planning process in line with SAO priorities and resources available c) SAO staff trained in strategic planning of audit			<b>TARGET FY 2019</b> a) Assessment Report including recommendations on improvement of audit process as per ISSAIs elaborated b) Report with comparative analysis, recommendations and proposals with reference to the strategic planning process developed c) Multi-annual Audit Plan 2020-2022			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Development and implementation of Strategic Plan of SAO	Q4 2017	Q3 2019				
<b>SUB-ACTIVITY</b>						
Development of Multi-annual Audit Plan 2020-2022	Q3 2019	Q4 2019	SAO	No	6,000 EUR	National Budget
<b>TOTAL:</b>						MKD 369,000
						EUR 6,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 7: External Control and Parliamentary Oversight						
<b>MEASURE</b> P7M1: Improved strategic planning and external audit process in line with the ISSAIs						
<b>ACTIVITY</b> Activity 2 (P7M1A2): Assessment of institutional and human resources capacity of SAO in order to maintain high quality of audits, in accordance with the relevant legal framework						
<b>DELIVERABLES</b> Report with recommendations on improving the institutional and human resources capacity of SAO prepared						
<b>INDICATORS</b> Report with recommendations on improving the institutional and human resources capacity of SAO in order to maintain high quality of audits			<b>TARGET FY 2019</b> Development of Training Plan			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Assessment of institutional and human resources capacity of SAO in order to maintain high quality of audits, in accordance with the relevant legal framework	Q4 2017	Q3 2019				
SUB-ACTIVITY						
Development of Training Plan, based on the Report with recommendations on improving the institutional and human resources capacity of SAO	Q1 2019	Q3 2019	SAO	No	EUR 6,000 = MKD 369,000	National Budget
					<b>TOTAL:</b>	MKD 369,000
						EUR 6,000

## 2019 Action Plan for Implementation of the PFM Reform Programme

PRIORITY Priority 7: External Control and Parliamentary Oversight						
MEASURE P7M1: Improved strategic planning and external audit process in line with the ISSAIs						
ACTIVITY Activity 3 (P7M1A3): Improved administrative capacity for performance audit						
DELIVERABLES Audit Reports on performance audits issued						
INDICATORS a) Training of SAO staff in performance audit and audit of EU funds b) Audit Reports on performance audits conducted in the areas such as EU funds, ICT, career development of graduate students, public procurement			TARGET FY 2019 Audit Reports on performance audits issued and presented			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Improved administrative capacity for performance audit	Q4 2017	Q3 2019				
SUB-ACTIVITY						
Pilot performance audits conducted in the areas such as EU funds, ICT, career development of graduate students, public procurement	Q3 2018	Q3 2019	SAO	No	EUR 114,750 = 7,057,000 MKD *estimated cost for 2019	IPA Twinning
Presentation of the results of pilot audits	Q3 2019	Q3 2019	SAO	No	EUR 10,896 = 670,000 MKD	IPA Twinning
TOTAL:						MKD 7,727,000
						EUR 125,646

## 2019 Action Plan for Implementation of the PFM Reform Programme

<b>PRIORITY</b> Priority 7: External Control and Parliamentary Oversight						
<b>MEASURE</b> P7M2: Improved scrutiny over the budget by the Parliament						
<b>ACTIVITY</b> Activity 2( <b>P7M2A2</b> ): Training needs assessment (TNA) carried out and Training plan elaborated for members of Parliament						
<b>DELIVERABLES</b> Report on training needs assessment for parliament administration and MP's prepared Training plan for members of Parliament elaborated						
<b>INDICATORS</b> a) Report on training needs assessment (TNA) parliament administration and MP's in assessing the audit reports b) Training plan elaborated for members of Parliament			<b>TARGET FY 2019</b> a) Report on training needs assessment (TNA) prepared b) Training plan elaborated			
ACTIVITY	TIMEFRAME		RESPONSIBLE INSTITUTION	OTHER INSTITUTIONS INVOLVED	PLANNED INPUTS	
	START qq/yy	END qq/yy			BUDGET	SOURCE
Training needs assessment (TNA) carried out and Training plan elaborated for members of Parliament	Q1 2019	Q3 2019				
SUB-ACTIVITY						
Training needs assessment (TNA) of parliament administration and MPs in assessing the audit reports (findings and recommendations) carried out;	Q1 2019	Q3 2019	Parliament	SAO	EUR 6,236 = 383,000 MKD	IPA Twinning contract
Training plan elaborated for members of Parliament	Q1 2019	Q3 2019	Parliament	SAO	EUR 6,235 = 383,000 MKD	IPA Twinning contract
<b>TOTAL:</b>						MKD 766,000
						EUR 12,471



## 2019 Action Plan for Implementation of the PFM Reform Programme

Table 1 - 2019 Action Plan budget

Priority	Budget					
	National budget		Donor funds		Total	
	in MKD	in EUR	in MKD	in EUR	in MKD	in EUR
1: Improved Fiscal Framework	11,717,000	190,519	38,038,000	618,500	49,755,000	809,019
2: Revenue Mobilization	54,288,500	879,997	18,436,000	299,766	72,724,500	1,179,763
3: Planning and Budgeting	9,750,000	158,536	0	0	9,750,000	158,536
4: Budget Execution	15,299,500	248,695	37,014,000	601,876	52,313,500	850,571
5: Transparent Government Reporting	1,808,000	29,300	800,000	13,000	2,608,000	42,300
6: Internal Control	308,000	5,000	5,403,500	87,849	5,711,500	92,849
7: External Control and Parliamentary Oversight	738,000	12,000	8,493,000	138,117	9,231,000	150,117
<b>Total</b>	<b>93,909,000</b>	<b>1,524,047</b>	<b>108,184,500</b>	<b>1,759,108</b>	<b>202,093,500</b>	<b>3,283,155</b>