



Institute for Human Rights



MONITORING REPORT ON THE IMPLEMENTATION OF THE ANTI-CORRUPTION PLAN “ACTION 21” AND THE NATIONAL STRATEGY FOR PREVENTION OF CORRUPTION AND CONFLICT OF INTEREST

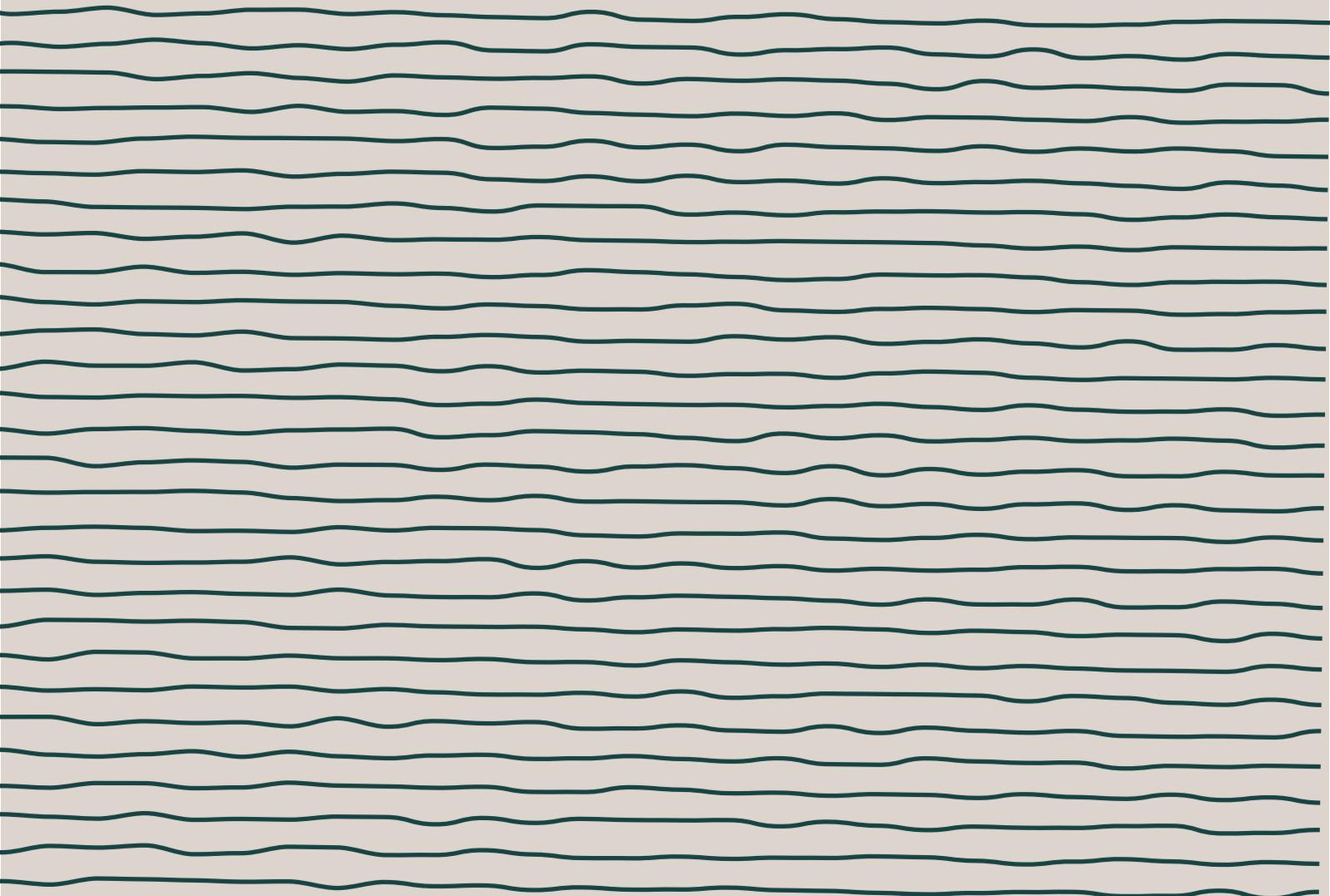
March - December 2021

ACTION 21
COMBATING CORRUPTION

The background of the lower half of the cover features a stylized map of North Macedonia, rendered in a dark teal color. The map is overlaid with the text 'ACTION 21' in a large, bold, sans-serif font, and 'COMBATING CORRUPTION' in a smaller, bold, sans-serif font below it. The entire background is decorated with horizontal, wavy lines in a dark teal color.

Project:
"Monitoring of national actions for combating corruption"

Implementer:
Institute for Human Rights



This project was funded through a U.S. Embassy grant. The opinions, findings, and conclusions or recommendations expressed herein are those of the implementers and do not necessarily reflect those of the U.S. Government.

INTRODUCTION

The monitoring report on the implementation of the Anti-Corruption Plan “Action 21” and the National Strategy for Prevention of Corruption and Conflict of Interest, in the period from March to December 2021 was prepared under the project “Monitoring of National Actions for Combating Corruption”, in order to assess the level of implementation of these documents and to show the open issues, gaps and shortcomings in the implementation of the steps planned.

In order to make it easier to assess the level of implementation and to report on the challenges that the institutions are facing during their implementation, the **measures and activities** foreseen in the two documents will be divided into **three basic areas**: (i) legislative changes; (ii) digitalization of administrative processes and technical equipment; (iii) increase of staff and strengthening the capacities of the institutions, as well as additional activities that are not foreseen in the two documents, but were undertaken in order to combat corruption.

The evaluation of the degree of implementation of the activities foreseen in “Action 21”, in correlation with the activities of the National Strategy for Prevention of Corruption, will be done through the **following evaluation scale, divided into 4 levels** (zero, initial, partial and complete) indicating the level of implementation of measures.

Level	Explanation	Color
1	Zero - the implementation has not started yet	Red
2	Initial - the implementation has been started	Orange
3	Partial - several measures have been implemented, but the process is not completed	Yellow
4	Complete - all measures have been implemented and there are impacts that can be assessed	Green

The reporting on the challenges, open issues, gaps and shortcomings in the implementation of the steps planned will be done in the Remarks section, where we also report on the progress achieved in the implementation of specific measures and activities and we will present activities undertaken with this aim. Additionally, we will inform about the possible challenges and we will present our conclusions and recommendations, in order to overcome them.

In order to assess the transparency of the processes that take place as a result of the measures and activities undertaken, we will state the source of information and how it was obtained, in order to determine whether we have proactive or reactive transparency and what is the availability of information on combating corruption.

It is important to note that the respective report focuses on Action 21 Anti-Corruption Plan and on the activities undertaken in accordance with this plan. Because we were notified by the State Commission for Prevention of Corruption (SCPC) that the implementation of the National Strategy will be evaluated by the end of December 2021, the implementation of the activities from this Strategy will be covered in the next report.

I.

CHANGES IN RELEVANT LEGISLATION

Measure-activity	Preparation of draft texts for changing and amending laws in order to carry out digitalization
Related to "Action 21"	III. Harmonization of legislation related to digitalization
Relation to the National Strategy	None
Level of implementation	Initial
Transparency	Reactive – Information received from the Government
Comment	A Working Group was established on April 20, 2021 for the implementation of the measure, which held 8 meetings in the reporting period. The Working Group, by 15.10.2021, submitted 122 draft amendments to laws out of a total of 221 mapped. From all the laws submitted, so far only six have been passed at a government session (Law on Identity Number, Citizenship, Personal Name, Passports and the Law on Registration of Residence and Stay). None of the mapped laws has been adopted by the Assembly of Republic of North Macedonia.

Measure-activity	Preparation of the Law on Origin of Property - (the measure was not originally part of the plan);
Related to "Action 21"	VI. Strategy for Strengthening the Capacities for Conducting Financial Investigations and Confiscation of Property 2021-2023
Relation to the National Strategy	None
Level of implementation	Initial
Transparency	Reactive – Information received from the Government
Comment	The Government, in cooperation with the Program Office of the Council of Europe in Skopje, prepared a Feasibility Study on the need to adopt a Law on the Origin of Property and Capital of Persons Exercising Public Authorities. For that purpose, a working group was established, which drafted the Law on the Origin of Property, for which final consultations with international experts are underway. Then, the draft-law will be submitted to all stakeholders and the public, who through this type of broader consultation and debate will be able to give their opinions, remarks and comments.

Measure-activity	Changes and amendments to the Law on Public Enterprises and to the Law on Institutions
Related to "Action 21"	VII. Management and supervisory boards
Relation to the National Strategy	Area - Employment Problem 2 - inefficient management, administration and supervision of certain administration bodies, agencies, public enterprises and state-owned JSCs; Measure - To optimize the number of members in supervisory and management boards in PE and in JSCs.
Level of implementation	Partial
Transparency	Proactive - Posted on Government website.
Comment	The draft-law on Public Enterprises and the Draft-law on Institutions were submitted and adopted by the Government. Once again, the obstacle for full implementation of this measure is the Assembly of the Republic of North Macedonia, because neither of the two laws have been passed by the Assembly. The main goal of both laws is to optimize the number of members in the governing bodies and to establish clear criteria regarding their election.

Measure-activity	Draft-changes and amendments to the Law on Prevention of Corruption
Related to "Action 21"	VIII. Changing the Law on Prevention of Corruption and Conflict of Interest
Relation to the National Strategy	None
Level of implementation	Initial
Transparency	Reactive – Information received from the Government
Comment	A working group for amendments to the Law on Prevention of Corruption has been established within the Ministry of Justice, which meets twice a month. The working group held 7 meetings so far, and February 28, 2022 is the deadline for submitting the proposed changes to the Government. The main purpose of the changes is to facilitate the application of control mechanisms, and for that it is necessary to precisely define the terms as public office, appointed person, elected person, official, manager, governing body, authorized person, responsible person, just as when determining a conflict of interest between an appointed or elected person and performing another profession.

Measure-activity	Changes to the Law on Public Procurement
Related to "Action 21"	X. Public Procurement
Relation to the National Strategy	None
Level of implementation	Initial
Transparency	Reactive – Information received from the Government
Comment	The Public Procurement Bureau (PPB) is working on the proposed amendments to the Law on Public Procurement and the deadline for its adoption is June 2022. The purpose of the changes is PPB's administrative Control to be performed in accordance with the law and to be comprehensive, covering the conditions for application, technical specifications and selection criteria. Additionally these changes should shorten the deadline for conducting the administrative control. This means that the Law must provide a deadline within which the PPB is to initiate administrative control.

Measure-activity	Establishing a Vehicle Register by amending the Law on Use and Disposal of State-Owned and Municipal-Owned Items.
Related to "Action 21"	XI. Drafting a Law on Changing and Amending the Law on Use and Disposal of State-Owned Items.
Relation to the National Strategy	Area - Business and Economics Problem 3. Lack of registers for the property owned by the Republic of North Macedonia and the LSGUs. Measure – Establishing a publicly available Register of Motor Vehicles Owned by Public Sector Institutions and Local Self-Government Units (LSGUs) ¹
Level of implementation	Partial
Transparency	Proactive - Posted on Government website.
Comment	The Ministry of Finance submitted to the Government a draft law amending the Law on Use and Disposal of State-Owned and Municipal-Owned Items, and the Government adopted the draft law at its 103rd Session. Additionally, a Decision was adopted on the manner of use and maintenance of official vehicles (as a temporary measure, until legal changes are adopted). The process for full adoption of the draft law is stuck in the parliamentary procedure.

¹ The existing register of motor vehicles, which is kept by the Ministry of Interior, to be upgraded with the possibility for the data to be publicly available and easy to search by institutions.

Measure-activity	Amendment of the Law on Public Sector Employees and adoption of a new law regulating senior management service
Related to "Action 21"	XIII. Plan for changing and amending the regulations in the field of administrative servants and public sector employees
Relation to the National Strategy	Area - Employment Problem 1: Lack of alignment between a number of laws governing employment Measure - assessment of the real needs with regard to the number of employees and their expertise ²
Level of implementation	Initial
Transparency	Proactive – published on ENER
Comment	<p>The implementation of this measure is in the initial phase. The Draft-Law on Administrative Servants and The Draft Law on Senior Management Service were published on ENER on 17.9.2021 and are available to the public. The purpose of the measure is to limit frequent changes in the rulebooks and to introduce mandatory functional analysis before changing the Rulebook on Systematization, to standardize rulebooks for internal organization and systematization of jobs and to amend the procedures for filling vacancies at employment, promotion and mobility via the following actions:</p> <ul style="list-style-type: none"> • Redefining the term "work experience"; • Accurate and transparent job advertisements; • Checking the reliability of the evidence in the first phase; • Possibility to improve the application; • Reduced discretion and clear criteria for internal announcements (preparation of a form with measurable criteria); • The promotions to be planned for in the annual plan, without the consent of the Ministry of Finance.

² Preparation and publication of a functional analysis in the public sector entities and Analysis of the need for introduction of an annual estimate for workload.

II.

DIGITALIZATION OF ADMINISTRATIVE PROCESSES AND TECHNICAL EQUIPMENT

Measure-activity	Digitization of 23 investigation centers in the Public Prosecution Office (PPO)
Related to "Action 21"	I. Staffing and digitalization of the Public Prosecution Office and of the investigation centers within the basic public prosecution offices
Relation to the National Strategy	Area - Judiciary Problem 2 - Insufficient material and human resources. Measure - Establishment of investigation centers
Level of implementation	Partial
Transparency	Proactive - Posted on Government website.
Comment	<p>With regard to this measure, so far an analysis has been prepared on the spatial conditions, human resources, equipment and financial implications in the Public Prosecution Office of the Republic of North Macedonia. A budget for capital expenditures has been ensured, which is by 24.4% higher than in 2021, and it shall be used for procuring IT equipment, network equipment and audio-visual equipment for the hearings. The additional 25% will also be used for replacing the existing obsolete equipment. Additionally, the budget was increased in order to enable 71 new employments, 17 promotions and a 15% of salary increase. The Government, on May 18, 2021 adopted a Decision on granting permanent use of 3,515 m² of business premises to the Prosecution Office for Prosecution of Organized Crime and Corruption, thus improving the spatial conditions of this prosecution office. The plan states that, although the country has 23 public prosecution offices, only four of them have their own investigation centers, which do not have enough staff, nor are digitalized.</p> <p>As part of the monitoring, a meeting was held with the State Public Prosecutor - Ljubomir Joveski, where we were informed about the number of staff in the investigation centers. Currently there are 16 members of the judicial police, nine public prosecutors and 13 investigators transferred from the former SPO. Additionally, there is an ongoing IPA-Twinning Project: Building the institutional capacity of the investigation center.</p> <p>There is an obligation to decide on the establishment of the other investigation centers and to fill them with appropriate staff. «Action 21» does not cover the measure for establishing an automated system for distribution and monitoring of cases in the Public Prosecutor's Office, which as a measure is provided in the Strategy, so its implementation will be commented in the next report.</p>

Measure-activity	Establishment of complete electronic Civil Registry Records For Births, Marriages and Deaths and issuance of electronic certificates
Related to "Action 21"	II. Digitization of civil registry and issuance of electronic certificates
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Proactive - published on the website www.uslugi.gov.mk
Comment	<p>The Civil Registry Office (CRO) successfully started with the implementation of this measure. So far, 550,000 records have been entered and 300,000 records of births, marriages and deaths have been scanned. The budget for 2022 envisages additional funds for digitization of the civil registry books. The electronic certificates are available through www.uslugi.gov.mk in the section Birth, Marriage and Death Registry and they are being issued electronically for a longer period already. According to the check we performed on the indicated website, it can be determined that the web services of CRO are already integrated with the Central Population Register (CRN). This can be seen specifically through the service «Confirmation of personal data contained in the Central Population Register» available on the portal. This service provides a certificate confirming that your personal information is contained in the CRN.</p> <p>Additionally, there is a procedure for changing and amending the Law on the Civil Registry and the amended version has already been published on ENER.</p>

Measure-activity	Establishment of a Register of evidence³ within the National Electronic Services Portal
Related to "Action 21"	III. Harmonization of legislation related to digitalization
Relation to the National Strategy	None
Level of implementation	Partial
Transparency	Reactive - Information received from the Government
Comment	<p>The Evidence Register has been established and exists as a module of the E-Services Portal. An obstacle for full operation of this service is the terminology with regard to evidence, namely the terminological differences in various laws, so there is a measure planned for harmonization of legislation, which is at the initial level of implementation.</p>

³ Evidence - documents that are submitted to the competent authorities in order to confirm meeting the requirements for realization of a right or fulfillment of an obligation.

Measure-activity	Conducting a detailed analysis/assessment of the institutions' background systems, their IT and human resources systems, as well as an assessment of the hardware owned by the institutions and the procurement of hardware and software.
Related to "Action 21"	IV. Increasing the use of the National Platform for interoperability for the needs of anti-corruption authorities
Relation to the National Strategy	None
Level of implementation	Partial
Transparency	Reactive - Information received from the Government
Comment	<p>According to the information received from the Government, 4 institutions are included in the detailed analysis of the institutions needs for increased use of the National Interoperability Platform. This institutions are Customs Administration (CA), Ministry of Justice (MoJ), Financial Police Directorate (FPD) and the Ministry of Interior (MOI). Namely, the Customs Administration and the Ministry of Interior informed us that they have ensured the necessary conditions for accessing the system data and use of the interoperability platform. MoJ and FPD expressed the need for additional financial support to strengthen their capacities for accessing and using the platform, noting that MoJ will obtain some of the necessary funding through the IPA III instrument. In order to get a broader picture on the use of the platform and on the degree of access of institutions, a verification exercise was made on the website of the Ministry of Information Society and Administration (MISA). According to the data available, as of November 29, 2021, 39 institutions and companies are connected to the interoperability platform, which have at their disposal 438 web services/methods for data exchange. Additionally, in the next period it is planned to include 11 new institutions, which will be done under the IPA 2017 project.</p>

Measure-activity	Pilot software for automation of the inspection procedure and inspections and provision of appropriate hardware
Related to "Action 21"	V. Establishment of an electronic inspection system "E-inspector"
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Proactive - Posted on Government website

Comment	<p>Under this measure, software for three inspectorates was developed, which on 15.9.2021 was submitted to the Inspection Council, together with information on the status of the software and its maintenance plan. On 22.11.2021 E-Inspector software was officially put into function. Additionally, the Inspection Council submitted a specification for procurement of appropriate hardware, with an estimate of the required financial resources. The Ministry of Finance has provided the complete equipment for digital inspections to the following three inspectorates:</p> <ul style="list-style-type: none"> • State Market Inspectorate (SMI); • State Labor Inspectorate (SLI) and • State Administrative Inspectorate (SAI). <p>As part of these procurement, 400 laptops were provided (10 for the Inspection Council, 190 for the SMI, 152 for the SLI and 48 computers for the SAI). By the end of 2021 only the extraordinary inspections, performed by these three inspection services, are conducted through the "E-inspector" system, and as of January 2022, after the annual work plans for 2022 and the monthly work plans for January 2022 are adopted, inspectors will begin to conduct regular inspections through this system.</p> <p>In 2022, the software will be further developed in order to provide access to 13 additional state inspectorates, so in 2023 all (15) remaining state inspectorates to have access.</p>
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Measure-activity	Creating a centralized platform for recording issued licenses and permits that would be integrated in the current status of companies certificate
Related to "Action 21"	XIV. Central database for issuing licenses and permits
Relation to the National Strategy	There is none, but under the section Economy and Business it is mentioned that there is a problem in this sector and it is absolutely necessary to complete the digitalization of the issuance of licenses, certificates and other services in the public administration at central and local level as soon as possible. This will minimize contact between the applicant and the service provider
Level of implementation	Initial
Transparency	Proactive - Posted on Government website
Comment	<p>At the 50th session of the Government of Republic of North Macedonia, a conclusion was adopted based on "Action 21" which contains an obligation for the Ministry of Economy and MISA, in cooperation with the Central Registry, within 60 days to prepare and to submit to the Government an appropriate action plan for establishing a single point of contact and integration of the Central Registry of Republic of North Macedonia with the National Portal for Electronic Services.</p> <p>This obligation has not yet been acted upon by the above-mentioned institutions. The Central Registry has submitted to the Cabinet of the Deputy Prime Minister in charge of fight against corruption, an electronic review of legal entities that in their current status certificate have registered a certain license, permit or concession.</p>

Measure-activity	Introduction of a call center (platform) through which legal entities and individuals will be able to report delays and untimely acting of the competent institutions, upon requests submitted by the citizens, as well as to report potential corruption in specific sectors.
Related to "Action 21"	XVI. Case and complaint tracking system
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Proactive - published on the Government website and on the National Electronic Services Portal.
Comment	<p>On 13.9.2021 a donation from USAID was granted and the Agreement for establishing an electronic system was concluded, through which legal entities and individuals will be able to report delays and untimely acting by the competent institutions. As per this Agreement, an Electronic System was created and two trainings were held for employees of state bodies, in order to familiarize them with the system. On 23.9.2021 the Cabinet of the Deputy Prime Minister promoted the commissioning of the Electronic System. In the period from 23.9.2021 to 12.1.2022 a total of 144 tickets / problems were received in the system, and out of them 127 were referred to institutions and 17 remained in the portal (remained undistributed).</p> <p>The tickets remaining in the portal are related to the judiciary and the local government. They are categorized as problems assigned to the portal, because the judicial bodies and local self-government units are not included in the system and do not have a designated person to answer for them.</p> <p>Out of the total number of problems, 104 were solved (94 of those assigned to institutions and 10 of the problems assigned to the portal - solved by the support team of the National Portal). This is 72% of the total number, and 40 (or 28%) are still in the phase of answering / or unresolved. These 40 unresolved problems comprise 33 problems referred to institutions and 7 problems remaining in the portal.</p> <p>The electronic system is implemented as a separate module within the National Portal for Electronic Services https://uslugi.gov.mk/. In our attempt to submit an application through the system, we found that the service is not sufficiently visible and there is no explanation how it is used and what are the steps for submission. So appropriate changes should be done in order to improve this.</p>

Measure-activity	Establishment of a functional State Aid Register
Related to "Action 21"	XVIII. Register of granted state aid
Relation to the National Strategy	Partial connection, the register of granted state aid to economic operators owned by domestic and foreign legal entities does not exist
Level of implementation	Partial
Transparency	Reactive - Information received from the Government
Comment	<p>The Single State Aid Register is the single point where all information on state aid will be kept, which will contribute to harmonization in state aid planning and budgeting. Through the Single State Aid Register, which integrates data from 11 institutions, the citizens and companies in the Republic of North Macedonia will receive a transparent and accountable system for planning, budgeting, as well as for monitoring the effects and impacts of state aid.</p> <p>In order to establish the State Aid Registry, to discover the specifics of the current situation with regard to state aid and to define the details of the intervention, comprehensive technical and functional specifications for the State Aid Management Information System (MIS) have been developed during the first half of 2021 with the support of the IBRD/World Bank team and its State Aid Registry, Trade Competitiveness Diagnostic and State Aid Analysis Technical Assistance.</p>

III.

STAFF INCREASE AND CAPACITY BUILDING

Measure-activity	Strategy for strengthening the capacities for conducting financial investigations and confiscation of property with an Action Plan and a National Monitoring Commission
Related to "Action 21"	VI. Strategy for strengthening the capacities for conducting financial investigations and confiscation of property
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Proactive - published on the Government website
Comment	<p>At its 87th session held on 13.7.2021, in order to implement this measure, the Government adopted the Strategy and the Action Plan 2021 - 2023 for conducting financial investigations and confiscation of property, which should contribute to criminal investigations resulting in confiscation of property and other assets, thus strengthening the effectiveness of the fight against organized crime and corruption. "Action 21" envisages the establishment of a National Commission for monitoring the implementation of the Action Plan. This Commission was established with a decision of the Government, adopted at its 106th Session held on 14.9.2021. In order to strengthen the capacities of its members, the Commission, on 20.10.2021 organized a workshop on financial investigations, in order to plan future activities. Additionally, at its 116th session held on 30.10.2021 the Government adopted decisions for appointing a chairman of the Commission, deputy chairman, members and deputy members. A donor conference for financing the implementation of the Strategy has been organized.</p> <p>A working group has been established within the Ministry of Justice to work on amending the Criminal Code and expand the catalog of criminal offenses for which 'extended confiscation' can be applied. Currently there is a legal restriction and 'extended confiscation' can be applied to a limited list of criminal offenses which leaves the possibility for large, illegally acquired property, to be transferred to third parties and not to be further investigated.</p>

Measure-activity	Obliging, making and recommending all administrative bodies and LSGUs to authorize a person to receive complaints, submitted for protected internal reporting
Related to “Action 21”	IX Appointing an authorized person to receive reports from whistleblowers
Relation to the National Strategy	Yes, it partially relates only to the PPB. The area is public procurement, Problem 2: Insufficient transparency of institutions and low degree of integrity of the persons involved in carrying out public procurement, Measure - Increasing the institutional integrity and transparency in public procurement. ⁴
Level of implementation	Partial
Transparency	Reactive – Information received from the Government
Comment	The Government inspected 222 institutions in order to determine if they have implemented their obligation to appoint a person to receive complaints (reports) submitted for protected internal reporting. Of these, only 108 institutions have appointed and published who is the authorized person to receive reports from whistleblowers. Hence, it can be concluded that the level of implementation is not satisfactory and not all institutions have taken actions to fulfill this obligation.

Measure-activity	<ol style="list-style-type: none"> 1. All contracting authorities, at central and local level, have an obligation to prepare internal procedures for the implementation of public procurement. 2. The Administrative control organizational unit of the PPB has to be staffed with appropriate expert staff. 3. Standardized technical specifications need to be prepared. 4. There has to be professionalization of PP and the process of education on PP has to be modernized 			
Related to “Action 21”	X. Public Procurement			
Relation to the National Strategy	None			
Level of implementation	1. Partial	2. Complete	3. Complete	4. Partial
Transparency	Reactive – Information received from the Government			

⁴ In the models of the tender documentation prepared by the PPB, it is obligatory to list the authorized persons for receiving applications for protected internal and external reporting from whistleblowers, regarding the corruption in the public procurement.

Comment	<ol style="list-style-type: none"> 1. From the inspections performed in 222 institutions, we can see that 82 have adopted and published internal procedures. However the level of implementation of adopted procedures is very low and many of the institutions do not act in accordance with the procedures so they are not fulfilling this obligation, as per the plan. 2. The PPB has submitted information to the Government on their need for additional staff and premises, in order consistently to implement the competencies arising from the Law. The information contains analysis of the staff required for the implementation of the Law, where it is noted that the Sector for Control, which contains also the Administrative Control Unit requires at least 5 additional employees. During 2020, with the existing capacities, the Bureau has performed a total of 205 administrative controls of public procurement procedures. 3. PPB, in cooperation with the Economic Chamber of North Macedonia, the Association of Chambers of Commerce, MASIT and the Economic Chamber of North-West Macedonia, have developed draft templates for technical specifications for procurement of vehicles, desktops, laptops, maintenance equipment, fuel. 4. The Ministry of Finance and the PPB are responsible for the obligation to prepare dedicated training for all contracting authorities for: <ul style="list-style-type: none"> • procurement planning, manner and methods for market research, preparing technical specifications for goods, services and works, correct and proportionate determination of the conditions for participation and the criteria for selection of the best offer and other trainings in order to eliminate all weaknesses that may lead to inconsistency in the adherence to the public procurement principles. • The deadline for preparing the trainings is 31.12.2021. According to the information received, the procedure for their preparation is still ongoing and the trainings will be conducted under the twinning project "Strengthening the Functions for Budget Planning, Budget Execution and Internal Control".
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Measure-activity	Develop an Anti-Corruption Program and establish effective monitoring
Related to "Action 21"	XII. Preparation of an Annual Anti-Corruption Program
Relation to the National Strategy	<p>Yes, partially,</p> <p>Area - enterprises dominantly owned by the state and LSGUs.</p> <p>Problem 2: Lack of systemic approach to corruption prevention in state-owned enterprises and LSGUs</p> <p>Measure - introduction and implementation of the anti-corruption program for the state-owned enterprises and the LSGU.</p>
Level of implementation	Partial
Transparency	Reactive – Information received from the Government
Comment	The Government inspected 222 institutions regarding the fulfillment of the relevant obligation under the plan. Of these, only 85 institutions have prepared an anti-corruption program, which indicates a low level of implementation of this measure. Additionally, we have no information that an efficient monitoring system has been established to monitor the implementation of programs adopted by the institutions.

Measure-activity	Establishment of a Coordination Mechanism by nominating contact points from 7 anti-corruption institutions
Related to "Action 21"	XV. Institutional Coordination
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Reactive – Information received from the Government
Comment	A functional coordination mechanism has been established and contact persons from the mentioned institutions have been nominated.

Measure-activity	1. Review of the Code for Administrative Servants 2. Changes and amendments to the Code of Ethics for the Members of the Government and Holders of Public Office Appointed by the Government (initially this measure was not stipulated in the plan)	
Related to "Action 21"	XVII. Code of Ethics for Administrative Servants	
Relation to the National Strategy	None	
Level of implementation	1. Initial	2. Complete
Transparency	1. Reactive – Information received from the Government 2. Proactive - published on the Government website	
Comment	<p>1. Pursuant to "Action 21", MISA is responsible for drafting a new Code of Ethics for Administrative Servants. The text of the new Code of Ethics has been prepared and is publicly available on ENER. After the deadline for public consultation expired, the relevant Ministry did not adopt the new code, stating that a new Draft Law on Administrative Servants will be drafted which will significantly improve the overcoming of identified weaknesses, in accordance with the recommendations of the SCPC and Transparency International.</p> <p>2. In July 2021 at its 87th session, the Government adopted amendments to the Code of Ethics for the Members of the Government and for Holders of Public Office appointed by the Government. They expand the list of persons subject to the Code, introduce a new position - an integrity officer who is to give advice on ethical issues and introduce the member of the Government appointed to monitor the implementation of the Code. The application of the provisions of the Code was evident during the local elections, when complaints were filed with the SCPC for unauthorized use of official cars by officials outside of working hours, for private and party purposes.</p>	

IV.

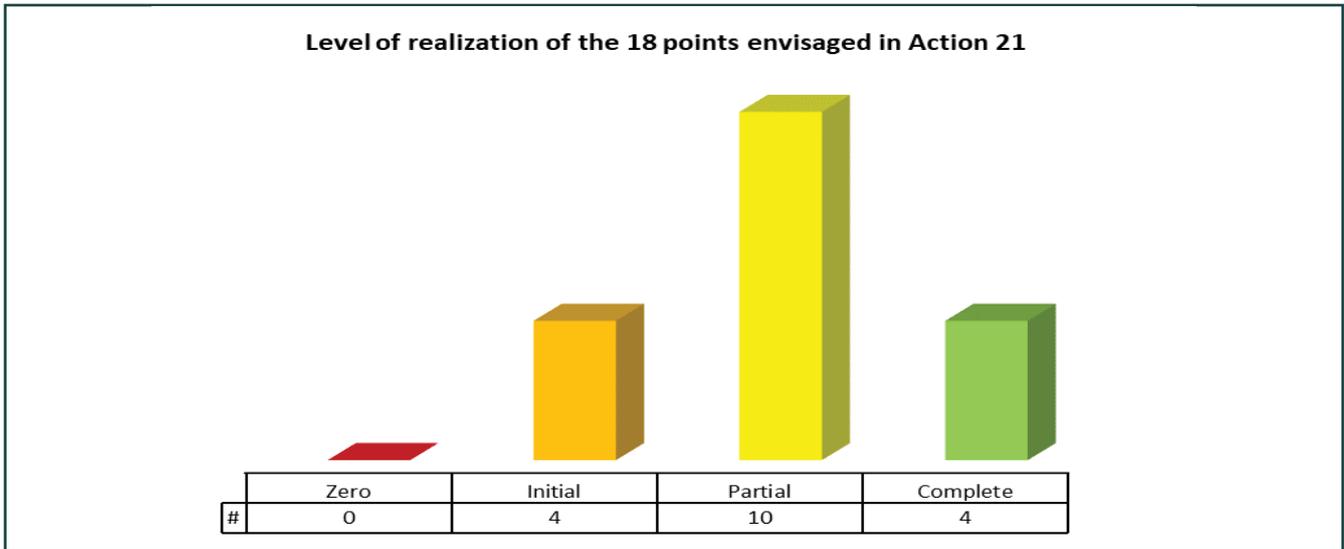
ADDITIONAL MEASURES THAT ARE NOT PART OF THE "ACTION 21" PLAN, BUT ARE AIMED AT COMBATING CORRUPTION.

Measure-activity	Decision on the manner of using and amount of funds allocated for catering services
Related to "Action 21"	None
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Reactive – Information received from the Government
Comment	The adopted decision on the manner of using and the amount of funds allocated for the catering services is published in the "Official Gazette of the Republic of Macedonia" no. 12/19. The data on the expenditures for catering services, as determined in the decision, are published by the state bodies on their websites in order to provide transparency and accountability.

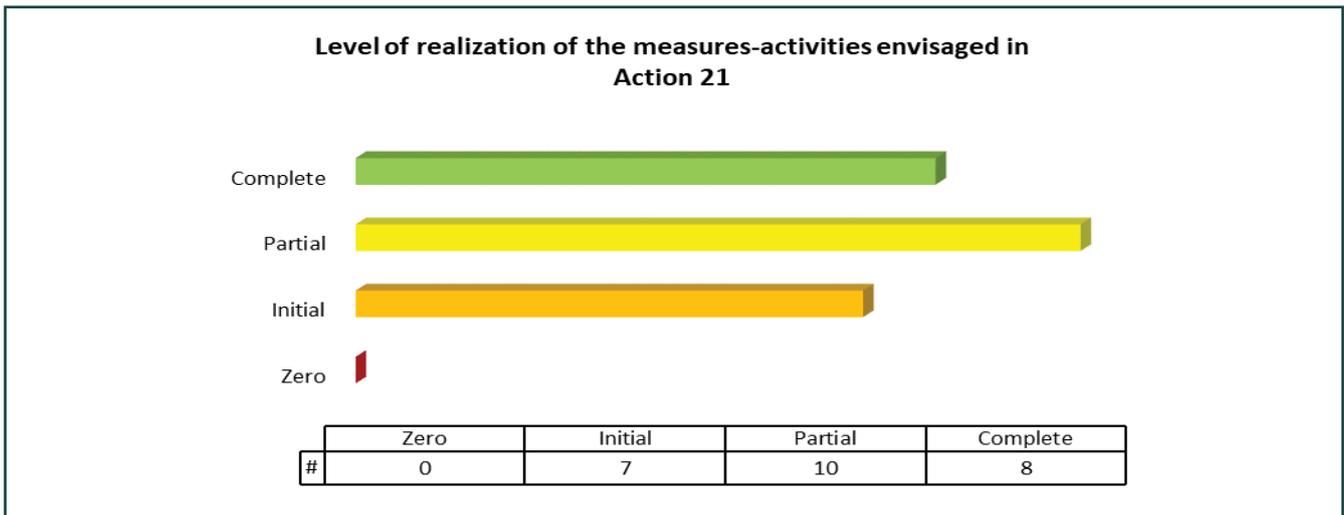
Measure-activity	Work on individual cases and complaints
Related to "Action 21"	None
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Reactive – Information received from the Government
Comment	The Cabinet of the Deputy Prime Minister Nikolovski, in accordance with the Law on Acting upon Complaints and Proposals and the relevant complaint, forwards the received cases for further action to the respective institution. In 2021 about 300 complaints were received and they were acted upon in accordance with the Law on Acting upon Complaints and Proposals.

Measure-activity	Establishing the Register of Beneficial Owners
Related to "Action 21"	None
Relation to the National Strategy	None
Level of implementation	Complete
Transparency	Proactive - published on the website of the Central Registry
Comment	<p>In cooperation with the Central Register, in January 2021 the Register of Beneficial Owners was established and put into use.</p> <p>The legal basis for this Register of Beneficial Owners is found in the provisions of the Law on Prevention of Money Laundering and Financing of Terrorism and serves as a mechanism for identification and verification of the identity of real owners of legal entities in the Republic of North Macedonia.</p> <p>This register will help determine ownership in the business sector in North Macedonia, and will also contribute to increasing the security of legal transactions in the country.</p> <p>In this register, companies enter data about the owners of all legal entities in the country, but also of companies established abroad - primarily off-shore companies.</p> <p>Every legal entity in the Republic of North Macedonia, when being registered in the trade register, must, within 8 days, submit data on the real/beneficial owner of the entity. Approximately 90% of legal entities registered in the Republic of North Macedonia have entered information about the beneficial owner in the Register of Beneficial Owners.</p>

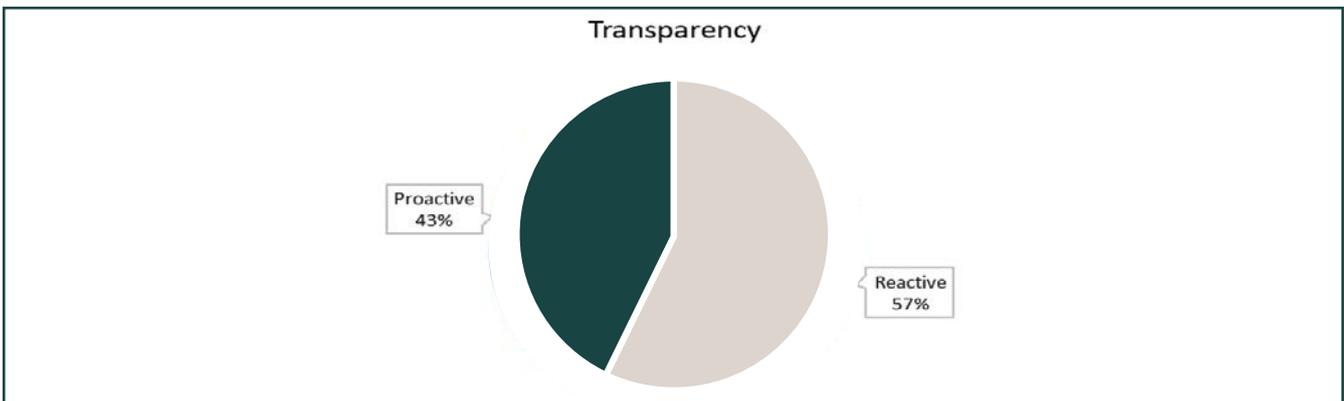
EVALUATION TABLES AND MEDIUM LEVEL OF IMPLEMENTATION OF THE PLAN



* Anti-corruption plan "Action 21" contains 18 points



* Each point in the Anti-Corruption Plan "Action 21" - contains one or more measures



* How was the information obtained (if it was published in the media or was supplied by the respective institution)

CONCLUSION

As stated in the section '**Changes in the Relevant Legislation**', from the monitoring performed we can conclude that the digital reform has started, which means that technical changes and harmonization of the laws will be required (a total of 221 laws have been mapped). But so far only six harmonized laws have been passed by the Government. A working group has been established to work on amendments to the Law on Prevention of Corruption and Conflict of Interest. A Draft Law on the Use and Disposal of State and Municipal Property has been prepared, which will establish a Register of Official Vehicles. Draft-laws on public enterprises and institutions have been adopted, which reduce the number of members in the management and supervisory boards. The laws related to administrative servants and public sector employees have been prepared as well as the amendments to the Law on Public Procurement. Although not part of the Anti-Corruption Plan, a draft version of the Law on the Origin of Property has already been prepared and it will soon be in public debate. **To our knowledge, none of the mentioned laws has yet been adopted by the Assembly of Republic of North Macedonia. Given the number of laws, we can conclude that the process will take time, especially under Covid conditions and the narrow majority in Parliament. Hence, we can see that there is partial implementation of measures and activities in this area, although the Government has completed most of its obligation.**

Under section '**Digitalization of Administrative Processes and Technical Equipment**' the monitoring points to the fact that there are several e-services provided through the National e-services portal, such as: electronic Civil Registry for Births, Marriages and Deaths and Issuance of Electronic Certificates; an Evidence Registry and a System for Monitoring Cases and Complaints. The Central Database for Issuing Licenses and Permits and the Register of Granted State Aid are still under development and are not operational and available. The interoperability platform is functional and 39 institutions, through this platform, already exchange information, data and documents. The electronic inspection system 'E-inspector' has started working and the funds for the public prosecution offices have been increased, in order to strengthen the personnel capacities and to procure ICT equipment for operational work. **There are still challenges in the use of these digital services, especially because the general public is not aware that they exist and how to use them, but also there are problems with the full functionality of the services. An example of this is the terminological inconsistency of the evidence in the electronic Register of Evidence.**

With regard to '**Increasing the Staff and Strengthening Capacities and Equipment**' the monitoring shows that the Strategy and the Action Plan for Strengthening the Capacities for Conducting Financial Investigations and Confiscation of Property 2021-2023 have been adopted and a Commission has been established for monitoring the implementation of the Action Plan to the Strategy. Obligations for preparation of anti-corruption programs, appointment of persons for internal reporting and receipt of reports from whistleblowers and the preparation of internal procedures for conducting public procurement are implemented only by a small number of institutions. In the area of public procurement, templates for standard technical specifications for procurement of goods have been prepared and the staff needed for the implementation of the law has been analyzed. Amendments to the Code of Ethics for the Members of the Government and Holders of Public Office have been adopted, but the Code for Administrative Servants has not been revised yet. **Based on all this, we can determine that the Government, in most of the measures, has fulfilled its obligations, but there is a lack of more broader implementation of the measures by the other competent institutions, primarily with regard to the development of anti-corruption programs, the appointment of persons for receiving reports from whistleblowers and preparation of internal procedures for conducting public procurement.**

Although not part of the Anti-Corruption Plan, decisions are already in place to limit the cost of catering services for working meetings in catering facilities and to regulate the use of official vehicles of officials. The new National Register for Beneficial Owners has been established, which registers the ownership structure of legal entities.

ABBREVIATIONS

RNM	Republic of North Macedonia
Action 21	Anti-Corruption Plan "Action 21"
Strategy	National Strategy for Prevention of Corruption and Conflict of Interest
Government	Government of the Republic of North Macedonia
SCPC	State Commission for Prevention of Corruption
PE	Public enterprises
JSC	Joint stock companies
PPB	Public Procurement Bureau
LSGU	Local Self-Government Units
Prosecutor's Office (PPO)	Public Prosecutor's Office of the Republic of North Macedonia
CRO	Civil Registry Office
MISA	Ministry of Information Society and Administration
ENER	National Electronic Registry of Regulations

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