



ANNEX C1bis: Twinning Light Fiche ¹

Project title: Strengthening the capacity of EU Anti-Fraud Coordination Unit (AFCOS) for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia

Beneficiary administration: EU Anti-Fraud Coordination Unit (AFCOS) within Department for Public Sector Financial Inspection and Coordination for combating fraud against EU Funds, Ministry of Finance

Trinning Reference: MK 24 IPA FA 01 25 TWL R

Publication notice reference: EuropeAid/186778/DD/ACT/MK

EU funded project
TWINNING TOOL

¹ For Twinning Light the project Fiche should be detailed as it will form an annex to the Twinning Light Grant Contract together with the selected Member State proposal. The Twinning Light project Fiche, besides all the data and information mentioned under section 2.1.1, provide also concrete indications on how the work plan should be established, on the suggested schedule of activities, on the profile of short-term experts and on indicators and targets that should be used to ensure the timely achievement of the mandatory results.

Acronyms and Abbreviations

EU	European Union
AFCOS	European Union Anti-Fraud Coordination Unit (AFCOS)

1. Basic Information

- 1.1 Programme: EU Integration Facility; Annual action plan in favour of North Macedonia for 2024; CRIS IPA III/ 2024 /045-609; OPSYS ACT-62395 (JAD.1354913) (direct management)
- 1.2 Twinning Sector: Finance, Internal market and economic criteria - FI
- 1.3 EU funded budget: Maximum amount of the grant 250.000 EUR
- 1.4 Sustainable Development Goals (SDGs):
SDG 16 Peace, Justice and Strong Institutions,

2. Objectives

- 2.1 Overall Objective(s):
Strengthening the capacities of the EU Anti-Fraud Coordination Unit (AFCOS) for the protection of EU financial interest for the Western Balkans in the Republic of North Macedonia
- 2.2 Specific objective:
The project purpose is to improve the legislative, institutional framework and methodology for more efficient protection of EU financial interest in the implementation of the Reform and Growth Facility (RGF) for the Western Balkans in the Republic of North Macedonia.
Also, the aim of the project is to strengthening the administrative capacities of the authorities involved in the protection of the EU's financial interests in relation of the RGF for the Western Balkans in the Republic of North Macedonia.
- 2.3 The elements targeted in strategic documents i.e. National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

Link with NPAA/2025 EC Country Progress Report

The EU Annual accession report recommends in Chapter 32 - Financial control, in the field of Protection of EU financial interests the 2025 EC Report that North Macedonia should continue strengthening the capacity of the EU Anti-Fraud Coordination Unit (AFCOS) and the 2022-2025 National Strategy for Combating Fraud and Protection of the EU Financial Interests in the Republic of North Macedonia and the corresponding Action Plan should be properly implemented. Also, in part C SUMMARY OF FINDINGS – PROTECTION OF THE EU'S FINANCIAL INTERESTS states that the cooperation with the European Commission on investigations is good, but the mandate of the national authorities for cooperating on investigations needs to be revised.

Link with IPA III (2021-2027)

The general objective of the IPA III instruments is to support the beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership, thereby contributing to their stability, security and prosperity.

Link with sector reform strategies

Public Administration Reform Strategy 2023-2030

The aim of the Strategy is to be established professional, quality and service-oriented public administration as a key to achieving economic growth, for strengthening competitiveness, improving the quality of life and dealing with all the challenges in society. The strategy for RJA (2023-2030) is directly aimed at achieving this priority through definitions the goals that provide a strategic framework for the development of the public administration until 2030 "Modern and efficient public administration based of digitization that provides quality and fast services for citizens and business entities".

3. Description

3.1 Background and justification:

In accordance with Article 10 of the Facility Agreement between the European Union and the Republic of North Macedonia on specific arrangements for implementation of North Macedonia under the Reform and Growth Facility (Official Gazette no.23/25) (hereinafter: The Reform Growth Facility Agreement) and the article 12 of the Decree on the implementation and control of the Reform and Growth Facility for the Western Balkans (Official Gazzete no.106/25), the Beneficiary shall use the independent anti-fraud coordination service set up under IPA III, or in its absence, rely on equivalent structures to facilitate effective cooperation and exchange of information, including information of an operational nature, with OLAF. This service shall notably:

- a. support cooperation between the Beneficiary's administration and prosecution authorities and OLAF;
- b. lead the creation/implementation of a national strategy to protect the financial interests of the Union, preceded by a risk assessment;
- c. contribute to identifying possible weaknesses in the Beneficiary's systems for managing Union funds, including the financial assistance under this Facility;
- d. provide advice on anti-fraud matters as well as staff training, including on fraud prevention and detection;
- e. share information on irregularities, fraud, corruption and any other illegal activities affecting the Union's financial interests, including conflicts of interest, with OLAF.
- f. ensure the fulfilment of all the obligations under Regulation (EC, Euratom) No 883/2013 of (the European Parliament and of the Council, Council Regulation e.g. (Euratom, EC) No 2988/1995 and Council Regulation (EC, Euratom) No 2185/1996.

The anti-fraud coordination service of the Beneficiary responsible for the effective prevention and detection of irregularities, fraud, corruption and other illegal activities affecting the financial interests of the Union, including conflicts of interest, shall prepare and approve a methodology, develop a methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission and the manner of monitoring of the elimination of irregularities and how suspected cases will be treated internally, how the Beneficiary will report them to the Commission.

Additionally, in accordance with the Decree on the implementation and control of the Reform and Growth Facility for the Western Balkans (Official Gazzete no.106/25), the AFCOS Unit is responsible for control over the implementation of the Facility, along with the step-level verifier, State Comission for prevention of corruption and State Audit Office.

In this regards, there is a pressing need to improve the legal framework in order of strengthening the protection of the financial interests of the European Union within the implementation of the Reform Growth Facility Agreement. Also, it is an essential need for developing a Methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission and the manner of monitoring of the elimination of irregularities and how suspected cases will be treated internally, how the Beneficiary will report them to the Commission. Taking in consideration that the AFCOS Unit is responsible for lead the creation/implementation of a national strategy to protect the financial interests of the Union, preceded by a risk assessment, there is an urgent need a Strategy for protection of the financial interests of the Union, within the implementation of the RGF Agreement to be drafted. On the other side, the AFCOS Unit is granted with the responsibility of staff training, including on fraud prevention and detection, which creates the taking a further steps in order of strengthening the capacities of the staff and the administration within the system of protection of the financial interests of the European Union, including the institutions responsible for implementation of the Reform Growth Facility, through conducting a training needs analysis and carry out a trainings in respected area, including the know-how process of study visits.

3.2 Ongoing reforms:

The implementation of the RGF for the Western Balkans requires increased funding under a dedicated new financing instrument, the Facility to assist the region in implementing reforms for sustainable economic growth, regional integration and the Common Regional Market. The support under the Facility should be provided to meet general and specific objectives, based on established criteria and with clear payment conditions. Those general and specific objectives should be pursued in a mutually reinforcing manner. The Facility should support the enlargement process by accelerating the alignment with Union values, laws, rules, standards, policies and practices ('acquis') with a view to Union membership, for regional economic integration and progressive integrations of the beneficiaries in the Union single market, and accelerate their socio-economic convergence with the Union.

The RGF should also foster regional cooperation, good neighbourly relations, as well as reconciliation and settlement of disputes. A Facility Agreement should be concluded with each beneficiary to set up the principles of the financial cooperation between the Union and the beneficiary, and to specify the necessary mechanisms related to the control, supervision, monitoring, evaluation, reporting and audit of Union funding under the Facility, rules on taxes, duties and charges and measures to prevent, detect, investigate and correct irregularities, fraud, corruption and conflicts of interest. The Facility Agreement should provide the obligation for beneficiaries to ensure the collection of, and access to data in compliance with Union data protection principles and with applicable data protection rules, adequate data on persons and entities receiving funding, including beneficial ownership information, for the implementation of Reform Agendas.

3.3 Linked activities:

Title: "Strengthening Budget Planning, Execution and Internal Control Functions"

Donor: EU funded

Duration: 54 months (February 2020 to July 2024)

Description: Within the framework of the IPA Twinning Project MK 18 IPA FI 01 19 “Strengthening Budget Planning, Execution and Internal Control Functions”, with the support of experts, a legal base for full operationalization of the AFCOS Unit was developed. This legal base, beside the legal ground in the Organic Budget Law and the secondary legislation, also include the drafting of Manual of procedure for the AFCOS Unit.

Project Cost: *Budget: 3,700,000 EUR*

Title: Irregularity management – Usage of Irregularity Management System (IMS)

Donor: EU-Financed TAIEX Program

Duration: 3 technical missions in the period September - December 2024

Description: Technical missions will be conducted by expert from Croatia for presentation of irregularity management system’s practices in Croatia, regarding usage of the tools (Irregularity management system), as the main e-tool administrated by the European Commission, classifying the types of irregularities, extracting results from the system, and drafting statistical information from it. The expert mission is envisaged not only for strengthening the capacities of the AFCOS Unit, but for the whole IPA management system, in reporting of irregularities, through improving the knowledge and the skills for reporting the irregularities through the IMS.

3.4 List of applicable *Union acquis*/standards:

Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (amendments by Regulation (EU, Euratom) 2016/2030 of the European Parliament and of the Council of 26 October 2016 and by Regulation (EU, Euratom) 2020/2223 of the European Parliament and of the Council of 23 December 2020).

Regulation (EC, Euratom) No 2988/1995 of 18 December 1995 on the protection of the European Communities financial interests.

Regulation (EC, Euratom) No 2185/1996 of 11 November 1996 concerns on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities financial interests against fraud and other irregularities.

Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor’s Office (‘the EPPO’).

Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union’s financial interests by means of criminal.

Regulation (EU) 2024/1449 of the European Parliament and of the Council of 14 May 2024 on establishing the Reform and Growth Facility for the Western Balkans.

The relevant legislation (including links) is listed as a separate Annex A to this Twinning Light Fiche.

3.5 Components and results per component

The project will provide support to EU Anti-Fraud Coordination Unit (AFCOS).

The project is structured in 2 (two) components reflecting the improvement of the policy and legal framework in the field of protection the financial interests in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia and strengthening the institutional capacity of AFCOS unit and administrative structures for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Component 1: Enhancing the institutional set up and legal framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Component 2: Strengthening the administrative capacities of AFCOS unit and the authorities involved in the the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

The twinning project will be implemented by close co-operation between the partners aiming to achieve the following results:

Component 1: Enhancing the institutional set up and legal framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Mandatory results:

Improved national legal framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Component 2: Strengthening the administrative capacities of AFCOS unit and the authorities involved in the the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Mandatory results:

Enhanced effectiveness of the the administrative capacities of AFCOS unit and the authorities involved in the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

3.6 Expected activities:

The Twinning project should be implemented jointly and not be a one-way technical assistance from a Member State to a Beneficiary Country. The selected MS shall transfer the requested hands-on public sector expertise to the Beneficiary Country, introducing and sharing EU wide

best practices in connection with the EU Acquis. The Twinning assistance will be provided in the form of know-how transfer, and could be delivered through the activities that will indicatively include:

Component 1: Enhancing the institutional set up and legal framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Mandatory Result 1: Improved national legal framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 1.1. Conducting analysis and assessment of legislative framework of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia and prepare a report with written recommendations for improving the legislative framework in the field of the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 1.2. Support in drafting of amendments to the legislation for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 1.3. Support in drafting a strategy for protection of EU financial interests in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 1.4. Development of the methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission, and the manner of monitoring of the elimination of irregularities.

Component 2: Strengthening the administrative capacities of AFCOS unit and the authorities involved in the the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Mandatory Result 2: Enhanced effectiveness of the administrative structures for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 2.1. Carry out a training needs assessment for employees of AFCOS Unit and institutions included in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Training needs assessment conducted for the authorities involved in the protection of the EU's financial interests and Training program prepared.

Developing Training Methodology as a key strategic document in regards to trainings, describing, among other things, role of the individual authorities involved in the protection of the EU's financial interests and tools to perform training needs assessment.

Conducting in-person interviews with relevant employees of the authorities involved in the protection of the EU's financial interests in regard to previous training and future needs, in

order to prepare questions for online Questionnaire and creating an online Questionnaire to be sent to the authorities involved in the protection of the EU's financial interests.

Preparing Training needs assessment report (TNA) based on the information received through the online Questionnaire, containing all the relevant information and statistics/data.

Activity 2.2 Preparation of the training program, curricula and training materials.

Preparing Training programme in the field of protection of the EU financial interests.

Activity 2.3. Carry out a training/workshop for employees of AFCOS and relevant institutions from the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 2.4. Direct transfer of know-how, study visit to Member State

Direct transfer of know-how carried out, throughout study visit to Member State with relevant employees (1 study visit at least 5 persons from the EU Anti-Fraud Coordination Unit (AFCOS) focused on the best EU practices in the field of protection of financial interests of the EU. The objective of the study visit will be to get acquainted with the best practices in similar institutions in relevant EU Member. The study visit will be useful for building mutual trust among the administrations as well as seeing how the established systems, procedures and processes work in practice, as well as encountered specific problems.

3.7 Means/input from the EU Member State Partner Administration*:

The project will be implemented in the form of a Twinning Light contract envisaged to provide exchange of experience and know-how with a MS Institution with good practice in the stated project activities. The Twinning Partner shall provide an adequate team of experts – one MS Project Leader, responsible for overall coordination of project activities, Component Leaders (CLs) and a pool of Short-Term Experts (STEs) with suitable knowledge to carry out the activities described.

Profile and tasks of the PL:

Qualification and skills:

- University degree in the field relevant for this project, or equivalent experience of minimum 8 years in the relevant field;
- Proven contractual relations to a public administration or mandated body.
- At least 3 years of specific professional experience in the area relevant to the project;
- Project management experience;
- Fluency in written and oral English language;
- Computer literacy;

The main tasks of the Member State Project Leader are:

- Conceive, supervise and coordinate the overall Twinning project;
- Coordinate and monitor the overall implementation of the project including coordination and direction of the MS Twinning partner;
- Coordinate MS experts' work and availability;
- Permanent contacts with the main counterpart in the BC;
- Ensure the backstopping functions and financial management;

- *Guarantee from the MS administrative side, the successful implementation of the Project's Work Plan; participate in meetings of the Project Steering Committee with the BC PL.*

3.7.1 Profile and tasks of Component Leaders:

Qualifications and skills:

- University degree in the field relevant for this project, or equivalent experience of minimum 8 years in the relevant field;
- Proven contractual relations to a public administration or mandated body.
- At least 3 years of specific professional experience in the area relevant to the project;
- Project experience;
- Fluency in written and oral English language;
- Computer literacy.

Tasks:

The MS CLs will manage the project team of selected member state(s) experts and supervise and co-ordinate the implementation of project activities by components.

- assist in revision and preparation of the draft legislation.
- plan and coordinate outputs and ensure proper quality of outputs;
- together with the Project Leader, to nominate, mobilize and supervise the short term experts;
- coordinate and organize study visit, training activities, workshops and public awareness activities;
- provide detailed reports on the impact of the project.

3.7.2. Profile and tasks of other short-term experts:

Qualifications and skills:

- Proven contractual relations to a public administration or mandated body
- University degree in the field relevant for this project or equivalent experience of minimum 8 years in the relevant field;
- At least three-years experience in the field of protection of EU funds;
- Knowledge on processes related to protection of EU funds;
- Experience in managing trainings;
- Knowledge on the EU legislation in relation to protection of EU funds issues and related data bases;
- Fluency in English.

The Short-Term experts will:

- Prepare and implement specific tasks based mainly on practical cases and experience in compliance with their mission description and in accordance with Project activities;
- Provide practical expertise/advice to relevant staff for execution of different tasks related to the project;
- Assist in key tasks, e.g. in the field of revision of by-laws and development and revision of procedures;

- Preparation and reporting work, before and after missions to the Beneficiary country;
- Address cross-cutting issues.

The number of short-term experts and their required qualifications should be identified by the Project Leader in the course of project implementation. The short-term experts are expected to have qualifications and skills as detailed here-after respectively covering the following areas: Anti fraud policy, detection and reporting of irregularities, protection of European Union interest, capacity building in AFCOS, development of anti-fraud strategies, development of internal manuals and reporting lines in protection of European Interest.

4. Budget

The project will be implemented through a Twinning Contract estimated at maximum 250,000 EUR.

Twinning Contract	Total (EUR)	IPA contribution	
	250,000	EUR	%
		250,000	100

5. Implementation Arrangements

5.1 Implementing Agency responsible for tendering, contracting and accounting

The Delegation of the European Union will be responsible for tendering, contracting, accounting, monitoring and evaluating.

Mr Steffen Hudolin
Head of Cooperation
Delegation of European Union
Sv. Kiril I Metodij 52b, 1000 Skopje
Republic of North Macedonia

The contact person on behalf of the EU Delegation is:

Mr Javier Castillo Alvarez
Programme Manager
Delegation of European Union
Sv. Kiril I Metodij 52b, 1000 Skopje
Republic of North Macedonia

5.2 Institutional framework

EU Anti-Fraud Coordination Unit (AFCOS) within Department for Public Sector Financial Inspection and Coordination for combating fraud against EU Funds, Ministry of Finance, in charge of coordinating the administrative and the operational tasks and duties and activities and proposing changes to the national legislation, all to the end of protecting the EU financial interests.

5.3 Counterparts in the Beneficiary administration:

5.3.1 Contact person:

Tatjana Trajkovska
Head of Department for Financial Inspection in the Public Sector and Coordination for
Combating Fraud against EU Funds
Ministry of Finance
Address: Dame Gruev 12, 1000 Skopje
North Macedonia

5.3.2 PL counterpart

Tatjana Trajkovska
Head of Department for Financial Inspection in the Public Sector and Coordination for
Combating Fraud against EU Funds
Ministry of Finance
Address: Dame Gruev 12, 1000 Skopje

6. Duration of the project

The overall execution period of the Twinning contract is 11 months.

The implementation period of the Action will last **8 months**, considering the comprehensive set of activities envisaged within the project and the necessity for their realisation in order to achieve substantial progress in the field of free access to public information. The execution period of the contract shall enter into force upon the date of notification by the Contracting Authority of the contract signed by all parties, whereas it shall end 3 months after the implementation period of the Action.

7. Sustainability

The project will be implemented in alignment with strategic objectives, laws, and guidelines to enhance the effectiveness of EU Anti-Fraud Coordination Unit (AFCOS).

Key activities will focus on improving the legislative, institutional framework and methodology for more efficient protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia and strengthening capacities through experience gained from Twinning partners.

With a strong emphasis on capacity building, the project aims to contribute to the sustainability of public administration by establishing standardized processes for long-term application. This includes the development of accessible documentation, such as methodology, for future use by the beneficiary administration.

The achievements of the Twinning project will serve as a permanent asset for the beneficiary administration, ensuring that mechanisms are in place to disseminate and consolidate results post-project.

For sustainability, especially in projects supporting the development of sector policies, strategies, or legislative amendments, proposals should be supported by impact assessments and stakeholder consultations. Adequate time for preparatory work and careful adoption procedures are essential to ensure successful implementation and enforcement. The beneficiary must also plan for the allocation of necessary resources to sustain results in their budget planning.

8. Crosscutting issues

Equal opportunity

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Ministry of Finance is committed to promote equality of opportunity for women and men in terms of employment, service delivery and involvement. This project should ensure adequate representation of women in the activities of the project.

Environment

The environmental impact of this project will be limited. It will not have a negative impact on the environment nor jeopardise environment, health and security in the future. The project will be delivered in the most environmentally friendly way possible, including the recycling of paper and the reduction of paper-based activities to the absolute minimum, including through distribution of project materials through uploading them on intranet/internet. The project has no negative effect on the environment.

Equal opportunities and gender mainstreaming

The country has put in place the legal framework to ensure gender equality through the adoption of the Law on equal opportunities for women and men and the Law on prevention of and protection from discrimination. Particularly important in this aspect is the process of enhancing the managerial accountability and the delegation and sub-delegation of powers to downwards the administrative pyramid which has the potential to bring more powers and responsibilities to women, traditionally occupying lower management levels.

Another important opportunity to enhance the equal opportunities between men and women is Strategy for gender equality 2022-2027 adopted by a Government.

9. Conditionality and sequencing

This Project is a whole new initiative and it is not dependent on outcomes of other actions. Furthermore, in future terms, part of these objectives (for example workshop where AFCOS reports a case of irregularity to OLAF), can be followed up with some TAIEX initiative.

10. Indicators for performance measurement

Definition of project specific, realistic, verifiable targets and indicators complementing point 9.

Indicators under Component 1

Activity 1.1: Prepared assessment report of the legislative framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia and prepared recommendations for improvement the existing legislative framework in the field of the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 1.2: Recommend amendments of the Decree on determining the structure of the system for protection of the financial interests of the European Union in the Republic of North Macedonia.

Activity 1.3: Prepared strategy for protection of EU financial interests in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 1.4: Prepared methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission, and the manner of monitoring of the elimination of irregularities.

Indicators under Component 2

Activity 2.1: Prepared /Conducted Training needs assessment for employees of AFCOS Unit and institutions included in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 2.2: Prepared training program, curricula and training materials.

Activity 2.3: Organised training/workshop for employees of AFCOS and relevant institutions from the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.

Activity 2.4: Organized one study visit to Member State with relevant employees (at least 5 people from the AFCOS Unit).

11. Facilities available

The beneficiary will provide the MS Twinning partner with appropriate office space, meeting rooms, and necessary equipment for expert activities and training as outlined in the Twinning fiche.

For expert missions and roundtables, the Ministry of Finance will offer its meeting rooms and office spaces. For training sessions, the nearby Parliamentary Club, equipped with conference rooms, technical facilities, and catering services, will be utilized.

ANNEXES TO PROJECT FICHE

ANNEX C1b: Logical framework matrix (compulsory)

Organigram <https://finance.gov.mk/wp-content/uploads/2022/12/Organogram-na-MF.pdf>

ANNEX A: LEGISLATION (for info)

Annex C1b: Simplified Logical Framework

	Description	Indicators (with relevant baseline and target data)	Sources of verification	Risks	Assumptions (external to project)
Overall Objective	Strengthening the capacities of the EU Anti-Fraud Coordination Unit (AFCOS) for the protection of EU financial interest for the Western Balkans in the Republic of North Macedonia	<p><i>Progress made toward fulfilment of EU accession criteria (steady progress in related Chapter 32)</i></p> <p><i>Baseline: The country is moderately prepared in the area of financial control and has made limited progress. Target: The country makes some progress under the Chapter 32 in the annual accession report</i></p>	<i>EC Progress Report and other relevant external assessment reports</i>	<p><i>Lack of awareness and commitment from high-level officials</i></p> <p><i>Lack of commitment by variety of institutions related to the spending of national and EU funds</i></p>	
Specific (Project) Objective(s)	<p>Improving the legislative, institutional framework and methodology for more efficient protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.</p> <p>Strengthening the administrative capacities of the authorities involved in the protection of the EU's financial interests in relation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia</p>	<p>Improvements in the administrative capacity and methodological guidance of AFCOS</p> <p>Baseline: The country is moderately prepared in the area of financial control and has made limited progress. Target: There is progress under chapter 32 in the annual accession report</p>		<p>Continuous outflow of staff</p>	<p>Professional commitment and openness to adopt new working procedures</p> <p>Ensured continuity of the appointed and trained staff</p>

<p>Mandatory results Component 1</p>	<p>Enhancing the institutional set up and legal framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.</p>	<p>Prepared assessment report of the legislative framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia; Prepared recommendation on further improving of the legal base for the protection of the EU's financial interests further improved in accordance with assessment report; Prepared amendment of the Decree on determining the structure of the system for protection of the financial interests of the European Union in the Republic of North Macedonia, one legal act amended; Drafted strategy for protection of EU financial interests in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia; Drafted methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission, and the manner of monitoring of the elimination of irregularities; Development of the AFCOS website.</p>	<p>Copy of assessment report draft Decree, drafted strategy and methodology</p>	<p>Untimely prepared documents</p>	<p>Political engagement to reinforce human resources and adopt the revised strategy/methodology</p>
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Mandatory results component 2	Enhanced effectiveness of the administrative capacities of AFCOS unit and the authorities involved in the the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.	Strengthened institutional capacity of AFCOS Unit and institutions responsible for implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia At least five trainings/workshops organized for AFCOS network and one study visit organized		Limited capacity of AFCOS units/rotation of staff	Political engagement to reinforce human resources
Activities Component 1	Activity 1.1. Conducting analysis and assessment of legislative framework of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia and prepare a report with written recommendations for improving the legislative framework in the field of the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia	Prepared assessment report of the legislative framework for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia and prepared recommendations for improvement the existing legislative framework in the field of the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia.	Copy of final report with recommendations	Lack of quality external expertise	Political engagement to reinforce human resources
	Activity 1.2. Support in drafting of amendments to the legislation for the protection of EU financial interest in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia	Recommend amendments of the Decree on determining the structure of the system for protection of the financial interests of the European Union in the Republic of North Macedonia		Lack of quality external expertise	
	Activity 1.3. Support in drafting a strategy for protection of EU financial interests in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia	Prepared strategy for protection of EU financial interests in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia	Copy of draft strategy	Lack of quality external expertise	Political engagement to reinforce human resources and adopt the strategy

	Activity 1.4. Development of the methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission, and the manner of monitoring of the elimination of irregularities	Prepared methodology on the manner of handling suspected cases, the manner of reporting such cases by the Beneficiary to the Commission, and the manner of monitoring of the elimination of irregularities	Copy of methodology	Lack of quality external expertise	Political engagement to reinforce human resources and adopt the methodology
Activities Component 2	Activity 2.1. Carry out a training needs assessment for employees of AFCOS Unit and institutions included in the implementation of the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia	Prepared /Conducted Training needs assessment	Copy of training needs assessment report	Incomplete and untimely feedback from the public sector regarding training needs research	
	Activity 2.2 Preparation of the training program, curricula and training materials.	Prepared training program, curricula and training materials.	Copy of training program	Untimely prepared training program	
	Activity 2.3. Carry out a training/workshop for employees of AFCOS and relevant institutions from the Reform and Growth Facility for the Western Balkans in the Republic of North Macedonia	Organised training/workshop	Copy of presentations and attendance sheets trainings/workshops	Low level of interest and response to the specific training, lack of commitment by variety of institutions	
	Activity 2.4. Direct transfer of know-how, study visit to Member State	Organized one study visit to Member State with relevant employees (at least 5 people from the AFCOS Unit)	Agenda and Report of study visit	Lack of awareness and commitment from high-level officials	

ANNEX A: LEGISLATION

REFORM AGENDA DOCUMENTS

- REGULATION (EU) 2024/1449 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
- FACILITY AGREEMENT
- LOAN AGREEMENT
- DECREE ON PROMULGATION OF THE LAW ON BORROWING A LOAN BY THE REPUBLIC OF NORTH MACEDONIA FROM THE EUROPEAN UNION UNDER THE LOAN AGREEMENT FOR REFORM AND GROWTH FACILITY FOR THE WESTERN BALKANS
- DECISION ESTABLISHING THE STRUCTURES FOR THE IMPLEMENTATION OF THE GROWTH PLAN FOR THE WESTERN BALKANS 2024 -2027
- REGULATION ON THE IMPLEMENTATION AND CONTROL OF THE REFORM AND GROWTH FACILITY FOR THE WESTERN BALKANS

<https://mep.gov.mk/en-GB/eu-integracii/plan-za-rast-za-zapaden-balkan-i-reformska-agenda/pravni-akti>

IPA III

- SPECIFIC ARRANGEMENTS FOR IMPLEMENTATION OF UNION FINANCIAL ASSISTANCE TO NORTH MACEDONIA UNDER THE INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA III)

<https://slvesnik.com.mk/Issues/c081afb5f43c4b24ae30f4aa0e337558.pdf>

NATIONAL LEGISLATION

- Decree on determining the structure of the system for protection of the financial interests of the European Union in the Republic of North Macedonia

<https://slvesnik.com.mk/Issues/28304181bde8481ca2dd8797d098a853.pdf>

Extract from Rulebook on the internal organization and operation of the Ministry of Finance from June 2025

Department for Public Sector Financial Inspection and Coordination for Combating Fraud against EU Funds- Unit for Coordination of the Fight against Fraud of EU Funds (AFCOS)

The Unit for Coordination of the Fight against Fraud of EU Funds performs tasks related to: coordination of administrative and operational duties and activities, and proposing amendments to national legislation in order to protect the financial interests of the European Union; carrying out activities for the preparation and implementation of the national strategy for combating fraud and protecting the financial interests of the European Union; facilitating effective cooperation and exchange of information with OLAF; identifying possible weaknesses in the system for protection of the financial interests of the EU (AFCOS system);

providing proposals for training and participating in the implementation of training programs in accordance with the needs of the institutions involved in the AFCOS system; sharing information on irregularities and suspected fraud cases with the competent national authorities and OLAF; ensuring the fulfillment of other obligations for the protection of financial interests as stipulated in the regulations of the European Union for the Instrument for Pre-Accession Assistance (IPA) in the Republic of North Macedonia; and submitting reports to the Head of Department – Chief Inspector for Public Sector Financial Inspection and Coordination for Combating Fraud against EU Funds that participate in the implementation of or are beneficiaries of EU funds.