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THIS ACTION IS FUNDED BY THE EUROPEAN UNION
REPUBLIC OF NORTH MACEDONIA

ACTION DOCUMENT <NUMBER>: EU INTEGRATION FACILITY

1. SYNOPSIS

1.1. Action Summary Table¹

Title of the action	EU Integration Facility
Beneficiary(y)/(ies) of the action	Republic of North Macedonia
Proposed year of financing	2025 2026 2027
OPSYS	[OPSYS business reference]: <reference>
ABAC	ABAC Commitment level 1 number: <reference>
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Economic and Investment Plan (EIP)	No
EIP Flagship	No
Team Europe	No
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and thematic priority	Window 2: Good governance, EU <i>acquis</i> alignment, good neighbourly relations and strategic communication Thematic Priority 2: Administrative capacity and <i>EU acquis</i> alignment (70%) Thematic Priority 4. Strategic communication, monitoring, evaluation and communication activities (30%)
Sustainable Development Goals (SDGs)	Main SDG: 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
DAC code(s)	Main DAC code 151 - Government & Civil Society-general (100%) 15110 - Public sector policy and administrative management (100%)

¹ This section is to be completed by the EU Office/Delegation.

Main Delivery Channel	12000 - Recipient government			
Targets	<input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity			
Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition ² @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers @	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	EIP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	EIP Flagship	NO <input checked="" type="checkbox"/>		YES <input type="checkbox"/>
	Tags:	NO		YES
	Transport	<input type="checkbox"/>		<input checked="" type="checkbox"/>
	Energy	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Environment and climate resilience	<input type="checkbox"/>		<input checked="" type="checkbox"/>	
Digital	<input type="checkbox"/>		<input checked="" type="checkbox"/>	

² Please check the [Handbook on the OECD-DAC Nutrition Policy Marker](#).

Economic development (incl. private sector, trade and macroeconomic support)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Human Development (incl. human capital and youth)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Health resilience	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Migration and mobility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Agriculture, food security and rural development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Rule of law, governance and Public Administration reform	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Digitalisation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tags	NO	YES	
digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
digital governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
digital entrepreneurship	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
digital skills/literacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tags	NO	YES	
digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
education and research	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of Inequalities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

BUDGET INFORMATION

Amounts concerned	<p>Budget line: <budget line></p> <p>Total estimated cost: EUR 30 000 000.00</p> <p>Total amount of EU budget contribution EUR 30 000 000.00</p> <p>The contribution is for an amount of EUR10 000 000.00 from the general budget of the European Union for 2025 and for an amount of EUR 10 000 000.00 from the general budget of the European Union for 2026 and for an amount of EUR 10 000 000.00 from the general budget of the European Union for 2027, subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths.</p>
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MANAGEMENT AND IMPLEMENTATION

Implementation modalities (management mode and delivery methods)	Direct management through: - Grants - Twinning grants - Procurement
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2026 for IPA 2025 At the latest by 31 December 2027 for IPA 2026 At the latest by 31 December 2028 for IPA 2027
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the financing agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative operational implementation period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

The EU Integration Facility (EUIF) is a flexible mechanism for financing smaller-scale projects of democratic institutions and public administration in North Macedonia focused on aligning the legislation, standards, methodologies, and practices to those of the EU and building a solid implementation capacity in the country in line with the priorities of the IPA III Programming Framework. The objectives of the EUIF are:

- To back up the accession process in its entirety, i.e. to enhance the alignment with the EU *acquis* and EU/international standards, to ensure the implementation of the legal framework in practice, to successfully manage the preparation and implementation of the overall EU pre-accession assistance, to support the implementation, monitoring and reporting of/on the Reform Agenda, and to increase public support for the EU accession process.
- To improve the effectiveness and visibility of the EU funds invested in the country, i.e. upscale the sector approach, and ensure that EU funding and policy create a sustainable and visible development change.

The EU Integration Facility will result in strengthened coordination, management, visibility, and transparency of the accession process and in a high level of national legislation alignment with the EU *acquis*. The EU investments will improve the country's enforcement capacity and support the national efforts to manage EU funds and deliver on reforms. This is expected to raise public support for the reforms and the EU accession path for the country.

The EUIF finances capacity-building interventions complementing the regular annual and multi-annual programmes, thus bringing the needed flexibility in managing the EU funds to support the country's reforms and EU accession. It allows the European Commission to provide fast-track, specific and targeted financial support to North Macedonia for emerging, short-term needs within the negotiation process or in a crisis situation.

The action is contributing to specific objective of IPA III support under Window 2 **Thematic priority 2: Administrative capacity and EU *acquis* alignment** with principal objective of bringing North Macedonia's'

policies and legislation in line with the EU policies and the EU acquis and building administrative capacity to fully and effectively implement sector policies and the adopted legislation, as well as taking on the obligations of membership. The action is also contributing to the **Thematic Priority 4: Strategic communication, monitoring, evaluation and communication activities** under the same Window by raising awareness and informing citizens on the benefits of the accession process, EU membership and the necessary reforms.

The action contributes to SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. More specifically the action will contribute to Target 16.6: Develop effective, accountable and transparent institutions at all levels; Target 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels and Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements. The proposed Action is linked to the **EIP for the Western Balkans** that iterates the importance of good governance and efficient institutions as the basis for sustainable economic growth.

1.3 Beneficiar(y)/(ies) of the Action

The action shall be carried out in the Republic of North Macedonia.

2. RATIONALE

2.1. Context

In March 2020, the EU Member States decided to open accession negotiations with North Macedonia. The European Commission presented to the Council a proposal for the Negotiation Framework in July 2020, laying out the guidelines and principles for the accession negotiations, reflecting the revised enlargement methodology. The Commission started the explanatory and bilateral screening exercise in 2022 following the Intergovernmental Conference. The screening process was successfully completed in December 2023. The screening reports for cluster 1 Fundamentals and cluster 2 Internal Market have been received, whereas the screening reports for the remaining four clusters are expected to be received by the end of 2024. Furthermore, the roadmap on Rule of Law with the accompanying Action Plan on the rights of persons belonging to minority communities and the draft roadmap on public administration reform, as opening benchmarks for cluster 1 have been submitted to the EC in December 2023. The preparation of the roadmap on functioning of the democratic institutions is ongoing. Extending the bilateral dialogue's scope and including more actors will increase the need for flexible and *ad hoc* support. This *ad hoc* support will provide concrete high-value outputs for aligning and implementing different legislation pieces needed for accession.

EU accession process is led by the Ministry for European Affairs, that manages and coordinates the operational part of the integration process and ensures coordination and conformity of the work of state administrative authorities and other bodies and institutions.

North Macedonia is progressing on the fundamental reforms in crucial areas such as the judiciary, the fight against corruption and organised crime, public administration, public finance, security, social support system, health care, education and the labour market.

The country is committed to advancing democracy and the rule of law, implementing the human rights agenda in practice, strengthening the principles of good governance, and ensuring macro-economic stability and a favourable and level playing field for businesses. This ambitious reform plan is complemented by a gradual shift to greening the economy and life, decreasing pollution and human impact on the environment, and ensuring the connections of the regional transport and energy systems with the ones of the European Union. Strategic sector-based policymaking and coordination are gradually improving and becoming an evidence-based and inclusive process.

The proposed Action aligns with the **IPA III Window 1 Thematic priority 2**, which aims to enhance the administrative capacity and alignment with the EU policies and the EU acquis of the beneficiaries' policies and legislation. This will facilitate the effective implementation of sector policies and adopted legislation, while strengthening the ability of the beneficiaries to assume the obligations of membership. Furthermore, the

action is contributing to **Thematic Priority 4**: Strategic communication, monitoring, evaluation and communication activities under the same Window. This will be achieved by raising awareness and informing citizens on the benefits of the accession process, EU membership and the necessary reforms. The action will also address issues identified during the negotiation process, support all windows and thematic priorities, with a particular focus on harmonisation of legislation and capacity building for the implementation of aligned legislative frameworks.

The action forms part of the Commission Communication, "**A Credible Enlargement Perspective for an Enhanced EU Engagement with the Western Balkans**", which sets out an initiative to strengthen the rule of law, economic reforms and alignment with core European values. The action will provide support for needs arising from accession, mitigate risks that might jeopardise the process, and ensure proper utilisation of pre-accession assistance. Equally, the action is linked to the requisitions of the **2020 Commission's Communication "Enhancing the enlargement process - A credible EU perspective for the Western Balkans"** defining fundamental and economic reforms as the core objective of the accession process. The action corresponds to the **North Macedonia Country Report 2023** and its considerations on the country's need to strengthen its capacities for EU accession process.

The action is complementary to the Green Agenda and the corresponding principles of the **Green Agenda for the Western Balkans**, which require public administrations to lead the transition to climate neutrality and iterates the importance of good governance and efficient institutions as the basis for sustainable economic growth. The green transition and adaptation to climate change require responses specific to regional and local conditions and needs. The action will contribute to building the capacity of the North Macedonian administration to implement the country's commitments to the Green Deal targets for the benefit of its citizens and economy. The proposed Action will support enhancement of North Macedonia's institutional and administrative capacities to meet the full range of priorities deriving from the Stabilisation and Association Agreement, **National Programme for Adoption of the EU *acquis* (NPAA)**, relevant sector specific strategic framework and the ongoing accession negotiations.

In November 2023, the European Commission adopted the Growth Plan for the Western Balkans 2024-2027³. The plan's objective is to advance the region's socio-economic convergence by offering some of the benefits of EU membership in advance of accession, stimulating economic growth through targeted reforms, and accelerating socio-economic convergence, with 750 million EUR allocated for North Macedonia. The Government of North Macedonia on 27 August 2024 has submitted the draft Reform Agenda 2024-27 with the following priorities: rule of law, public administration reform and public finance management; digitalisation, energy, green transition; human capital and business environment. Implementation is expected to be completed by the end of 2028 at the latest⁴. The action is complementary to the North Macedonia's **Reform Agenda** since it will support the RA's implementation system (i.e. guidance and support concerning monitoring and reporting), as well as provide any other support arising from any relevant issues arising post 2028.

The action is aligned with **Priority Area 6 of the EC outline for multi-country programmes**, namely Administrative Capacity and EU Acquis Alignment. The action will complement the planned interventions by aligning North Macedonia's national policies and legislation with the EU policies and the EU *acquis*. It will also build administrative capacity to implement sector policies and adopted legislation effectively and fully, thus strengthening the country's ability to meet the obligations of membership. The action will provide flexible support in the indicative form of technical assistance, preparatory, pilot/bridging or follow-up actions, preparation of relevant studies, networking, visibility, evaluation activities, training, capacity-building

³ The Plan is based on four pillars, aimed at: 1) enhancing economic integration with the European Union's single market; 2) boosting regional economic integration within the Western Balkans; 3) accelerating fundamental reforms, improving sustainable economic growth including through attracting foreign investments and strengthening regional stability and 4) increasing financial assistance to support the reforms through a Reform and Growth Facility for the Western Balkans

⁴ "Reform and Growth Facility" agreements between the Commission and the Government of the Republic of North Macedonia is expected to be signed by the end of 2024.

activities, as well as skills development and knowledge transfer. These activities will align with the interventions envisaged in the multi-country programme.

2.2. Problem Analysis

Short problem analysis

Area of support #1: EU accession process

The bilateral dialogue between the EU and the country encompasses the alignment with the EU *acquis* and implementation and the progress on the fundamental reforms. The capacities of the institutions to push these reforms forward need to be further strengthened to allow the country to assume the EU membership obligations. North Macedonia should also progress in sound governance principles and an inclusive and evidence-based approach in strategic planning, policy-making, and legislative processes.

The accession negotiations require the country to establish and maintain appropriate negotiation structures and ensure the capacity to lead effectively and efficiently the policy dialogue with the EU. This also implies the need to strengthen the capabilities of the Ministry of European Affairs (MEA) as the vital pillar of the accession process that ensures coordination and conformation of the work of the state authorities and other bodies and institutions during negotiations. The focus will be primarily on the 'Fundamentals' Cluster' and will expand to cover all areas of the EU *acquis* in all clusters, to ensure streamline and coherence of the reforms, timeline/ phasing and financial support.

Similarly, North Macedonia faces an important task in implementing its Reform Agenda, which requires significant capacity in the national institutions to achieve the desired results. Supporting the national structures to implement the Reform Agenda remains essential and the key role that MEA plays in coordinating this process and supporting the National Reform and Growth Facility Coordinator (National RGF Coordinator) should be taken into consideration. It will be important to provide guidance to all parties involved in the process of implementing the measures foreseen in the Reform Agenda, as well as to support the overall monitoring and reporting related to it, bearing in mind that this process is internally managed and co-ordinated by the MEA and involves the participation of other relevant institutions.

The complexity of the EU accession process needs to be explained to citizens in the simplest way possible, so that everyone understands how it will affect their daily lives. Reforms need to be clearly explained and communicated to win citizens' support. Information must be credible and systematically shared with the media. Social media channels and other information and communication channels will also be prioritised, including more frequent communication with journalists. This is all the more important in the context of global, regional and national strategies to mitigate the negative impact of disinformation.

Finally, the promotion of EU policies and the Team Europe approach in North Macedonia requires substantial support. The capacities and tools of the authorities need to be improved in order to make strategic communication on the accession process more targeted and effective. There is a need to improve the visibility and strengthen the communication strategy of the national authorities on EU assistance and the accession process, thus contributing to the increased transparency of the EU process and accountability to citizens on the implementation of EU assistance. Addressing these needs is fundamental to the EUIF.

The EU funding encompasses a significant number of actions with a notable impact on all country systems. This systemic and strategically targeted support should be coupled with a more flexible funding tool that can quickly mobilise resources to address issues in particular circumstances, often as a matter of urgency. Management of unforeseen crises situations is one of them and is part of the country's readiness to join the EU. In the previous financial framework (2014-2020), the EUIF was very efficient in delivering ad-hoc, urgent, and much-needed help for the country, especially during the COVID-19 pandemic and the migration crises. This role of the EUIF as an emergency funding tool should be extended to allow the Commission to be flexible in its partnership approach and react quickly to emerging needs that could not have been foreseen through the regular programming exercises. Moreover, in addition to migration, climate change, the economic consequences of Russia's war of aggression against Ukraine and the energy crisis, other critical situations may arise, demanding swift and targeted actions by the EU to support North Macedonia.

Area of support #2: Management of the EU funds

The Instrument for Pre-accession (IPA III) promoted some important novelties in using EU funds, including greater focus on the maturity of projects and a more robust competition based on quality and results among enlargement countries. This would continue to require more upfront investments for project preparation and the establishment of solid sector project pipelines. In addition, under IPA III for the period 2025-2027, multi-annual programmes are adopted in the area of transport, environment and human capital, requiring further adjustments of the national administration for indirect management of IPA funds. Equally, it is expected that the new financial framework 2028-2034 will bring further novelties based on lessons learned from IPA III. The challenges posed by these novelties and the preparation activities in that respect should also be taken into account.

North Macedonia has successfully established a robust policy dialogue based on sector working groups chaired by the relevant Ministers, coordinated by the NIPAC, and involving authorities, donors and civil society in discussing the sector policy priorities. Significant progress was made on building a sector performance framework based on indicators and targets and centring the country's assessment of the outcomes and impacts of sector policies and reforms. This dynamic needs to be maintained. Along with strengthening strategic planning capacities and promoting results-oriented culture across the public administration, North Macedonia must improve sector financing, budgeting, and the country's aid/donor coordination structures.

In parallel, the opportunities created by the EU funds and the achievements must be communicated to the citizens; this approach builds social support and commitment to the reforms and familiarises the general public with the EU efforts to contribute to the country's advancement. This is even more important on the background of a significant regional envelope focused on connectivity and economic growth. The government has to develop the capacities and tools to make the citizens of North Macedonia aware of the region's unprecedented EU investment drive, which is expected to create a development perspective and improve living conditions.

The EUIF is the right instrument to address these needs.

This Action will further replenish the EUIF. This flexible funding tool will allow the European Commission to mobilise resources at short notice to support urgent policy priorities or provide emergency response to critical situations, which, although in line with the objectives of IPA III and the accession process, are not covered by the annual and multi-annual sector support programmes.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action

- The **Sector for coordination of EU funds and other foreign assistance** within the Ministry of European Affairs (MEA) acts as the National IPA Coordinator (NIPAC) Office, responsible for the programming and overall monitoring and evaluation of the EU funds. It is also the main counterpart for all other donors in the country. On the other hand, MEA develops and facilitates the implementation of the National Programme for the Adoption of the *Acquis* (NPAA) and is responsible for organising the accession process.
- **The Sector for Integration** within the Ministry for European Affairs responsible for the overall coordination of the EU accession process and coordination and monitoring of the implementation of the Stabilisation and Association Agreement
- The **Sector Working Groups (SWGs)** are the sector policy dialogue structures that bring together relevant national institutions, donors, and civil society actors. They are co-chaired by the corresponding ministers and the NIPAC, methodologically guided by the NIPAC office and supported technically by the IPA Structures in each line ministry. The SWGs have been working effectively since 2015 and are a good channel for the EU to deliver solid and streamlined messages to guide the sectoral policy dialogue. They have a broad mandate, from identifying priorities to coordinating and reviewing the progress of sector reform. The EU Delegation, the donors and the foreign partners support SWGs through advice, knowledge sharing and information. The SWGs are the platform that also incorporates donor coordination.
- The **national operational structures responsible for the implementation of the EU funds** across the national public administration, i.e. the National Authorising Officer (NAO), the NAO support

office and Management structure, the Central Contract and Finance Unit, future Managing authorities and implementing bodies, IPA structures in line ministries, Audit authority, AFCOS and other related bodies.

- **Line ministries** responsible for sector policymaking and **agencies and bodies** established to implement and report on sector policies.
- **The negotiation structure** established⁵ including all responsible authorities, in charge of various clusters/chapters/areas.
- **Line ministries, institutions, agencies and bodies** implementing and reporting on the Reform Agenda.

2.3. Lessons Learned

The alignment with the EU *acquis* and European and international standards is a resource and time-intensive process, which goes beyond the adoption of legal documents, also encompassing the implementation of the new rules in practice. This requires that the country doubles its efforts to ensure full consistency in the legal and institutional systems and prepare all stakeholders to understand and abide by the new laws. Thus, the accession process is embedded in the country's sector reforms accelerated through the ongoing technical assistance and the support received for the Reform Agenda. In this sense, a significant part of the legal alignment will be implemented through sector-based reform programmes in line with the sector approach. The EUIF will complement these programmes by:

- Strengthening the strategic governance of the accession and reform process and ensuring a strong coordination function, which will allow North Macedonia to make use of all available resources.
- Providing flexible and limited-in-size assistance for specific accession-related needs at the right moment.

The implementation of IPA II and IPA III has highlighted the benefits of the non-allocated envelope, allowing quick and flexible deployment of EU assistance in times of crisis. The EUIF proved its effectiveness in quickly responding to the floods, the migration crisis, the COVID-19 pandemic, and the consequences following Russia's war on Ukraine when the facility mobilised specific urgent expertise and even implemented small-scale relief measures.

3. DESCRIPTION OF THE ACTION

3.1. Intervention Logic

The Overall Objective(s)/(Impact(s)) of this action is to enhance the EU accession process of North Macedonia.

The Specific Objectives (Outcomes) of this action are:

1. Backed up accession process in its entirety (enhanced alignment with the EU *acquis* and EU/international standards, improved implementation of the legal framework in practice, improved implementation, monitoring and reporting of/on the Reform Agenda, and increased public support for the EU accession process)
2. Improved effectiveness and visibility of the EU funds invested in the country (sector approach up-scaled, EU funding and policy created a sustainable and visible development change)

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Outcome 1 (or Specific Objective 1):

⁵ Decision on Establishing the Structure for negotiations for accession of the Republic of North Macedonia in the European Union, Official Gazette no. 204/2024.

- 1.1. Strengthened management and coordination of the EU accession process and Reform Agenda
- 1.2. Increased level of alignment of the national legislation with the EU acquis
- 1.3. Improved capacity of the national institutions to implement the aligned legislation and progress on the fundamental and structural reforms in support of the country's accession
- 1.4. Increased outreach to the citizens of North Macedonia on the country's accession to the EU

Contributing to Outcome 2 (or Specific Objective 2):

- 2.1. Strengthened national capacity for management of the EU funds
- 2.2. Improved awareness of the citizens of North Macedonia on the country's accession to the EU

The underlying intervention logic for this action is that IF the management and coordination of the EU accession process and Reform Agenda is strengthened AND sufficient human and financial resources have been allocated to foster the reforms and public scrutiny of the reforms in the country is continuing and stakeholders are committed to administer the systemic improvements for the benefit of citizens and society, THEN the accession process will be backed up in its entirety.

IF the level of alignment of the national legislation with the EU acquis is increased AND sufficient human and financial resources have been allocated to foster the reforms and public scrutiny of the reforms in the country is continuing and stakeholders are committed to administer the systemic improvements for the benefit of citizens and society, THEN the accession process will be backed up in its entirety.

IF the capacity of the national institutions to implement the aligned legislation and progress on the fundamental and structural reforms in support of the country's accession are improved AND sufficient human and financial resources have been allocated to foster the reforms and public scrutiny of the reforms in the country is continuing and stakeholders are committed to administer the systemic improvements for the benefit of citizens and society, THEN the accession process will be backed up in its entirety.

IF the outreach to the citizens of North Macedonia on the country's accession to the EU is increased AND *sufficient* human and financial resources have been allocated to foster the reforms and public scrutiny of the reforms in the country is continuing and stakeholders are committed to administer the systemic improvements for the benefit of citizens and society, THEN the accession process will be backed up in its entirety.

IF the national capacity for management of the EU funds is strengthened AND *sufficient* human and financial resources have been allocated to foster the reforms AND public scrutiny of the reforms in the country is continuing AND stakeholders are committed to administer the systemic improvements for the benefit of citizens and society, THEN the effectiveness and visibility of the EU funds invested in the country is improved.

IF the awareness of the citizens of North Macedonia on the country's accession to the EU is improved AND sufficient human and financial resources have been allocated to foster the reforms AND public scrutiny of the reforms in the country is continuing AND stakeholders are committed to administer the systemic improvements for the benefit of citizens and society, THEN the effectiveness and visibility of the EU funds invested in the country is improved.

IF the accession process is backed up in its entirety AND EU integration remains a government priority, which entails a continuous high-level political commitment to EU accession, support for the reforms and active participation in the sector policy dialogue, THEN the impact will be achieved BECAUSE facts already observed, and experience of the EU Member States that joined in the last 2 waves of accession are suggesting that this change is possible.

IF the effectiveness and visibility of the EU funds invested in the country is improved AND EU integration remains a government priority, which entails a continuous high-level political commitment to EU accession, support for the reforms and active participation in the sector policy dialogue, THEN the impact will be achieved BECAUSE facts already observed, and experience of the EU Member States that joined in the last 2 waves of accession are suggesting that this change is possible.

3.2. Indicative Activities

The EUIF provides ad hoc financing to smaller-scale projects supporting fundamental reforms and priorities outside the regular annual and multi-annual programming.

Various beneficiaries can propose projects by submitting a project concept to the EU Delegation and the NIPAC office. The EUIF can fund democratic and independent judicial institutions (Parliament, Ombudsman, Judicial Council, etc.), public administration at the central and local level, local authorities, and other bodies serving the public interests. Proposals are approved based on available funds under the EUIF.

All funded projects must address precise and well-identified needs that correspond to the priorities set out in the relevant strategic documents. They must also support the achievement of the EUIF outcomes and outputs.

Activities related to Output 1.1

- Supporting the accession negotiation process, including preparing key documents, roadmaps, and action plans to align and implement the EU *acquis*, drafting guidelines, instructions, rules of procedure and methodological tools for effective coordination and negotiation.
- Supporting the process of implementation, monitoring and reporting of/on the Reform Agenda
- Research, analysis and assessment of needs, challenges or processes linked to the EU accession process and the relations with the EU.
- Capacity-building measures, including training, mentoring and coaching of the participants in the negotiation structures, and exchange of know-how with others with similar experience.
- Digitalisation of the negotiation process encompassing documents and process management tools, EU *acquis* translation software, and e-learning software on various EU topics.
- Measures to ensure an inclusive accession process and involving various stakeholders such as civil society, academia, unions, chambers and the private sector.

Activities related to Output 1.2:

- Preparation of primary and secondary legislation in support of the harmonisation with the EU *acquis*, including, *inter alia*, comparative analysis, benchmarking, legal gap assessment, legal drafting, assessment of the capacities for implementation and enforcement, cross-cutting issues, organisation of consultation process and communication measures.

Activities related to Output 1.3:

- Strengthening the national capacities for political and policy analysis, responsible political participation, representation, transparency, and accountability, strengthening the electoral process, and raising the awareness of the political elites on key democracy-related concepts.
- Based on the *Better Regulation* approach, measures to improve the general legislative processes and transparency encompassing drafting capabilities, implementation of the national legislation in practice, monitoring, and analysis of the legal implementation.
- Research, analysis and assessment of needs, challenges, or processes, designing and implementing effective solutions linked to the democratic system and its functioning, the accession process, and the relations with the EU.
- Support measures to improve the effectiveness and transparency of governance encompassing development, budgeting, and monitoring of sector policies, strategies, programmes and measures.
- Measures to increase the effectiveness of sector and donor aid coordination.
- Support measures for strengthening implementation, cooperation and enforcement capacities of institutions in the EU accession reforms, and their performance, including reliable statistical data.
- Support measures that increase the knowledge and capacities in relation to climate change, mitigation and adaptation measures, green financing facilities and Rio markers.
- Promote effective coordination mechanisms to facilitate communication and cooperation.
- Support measures to enhance the systematic use of Environmental Impact, Strategic Environmental, and Climate Risk and Vulnerability Assessments in the formulation of new sector policies, programmes or interventions.

- Support measures to enhance the capacities of preparing and analysing Feasibility Studies and Cost Benefit Analysis.
- Assessment of *ad hoc* needs, designing and implementing effective solutions to challenges, threats, and crisis situations of national, regional, European or global importance.
- Upgrading the national information and IT systems to the operating standards of the EU allowing for interoperability of the information and solid and inclusive decision-making procedures.
- Enhancing the participation of women, minorities and non-majority communities, and vulnerable groups in democratic processes and policy dialogue.
- Effective management of unforeseen crises, including but not limited to health, environment (such as floods and forest fires), climate and socio-economic crisis.
- Emergency response to threats such as communicable diseases, challenges arising from irregular migration, environmental threats, gender-based violence, child protection, fight against organised crime, etc.

Activities related to Output 1.4:

- Preparation, adoption, and implementation of a comprehensive Communication Strategy for EU accession.
- Support measures for training national institutions' spokespersons and public relations personnel on various EU-related matters such as the EU Green Deal and climate commitments.
- Capacity-building measures, including training and mentoring journalists on EU affairs.
- Communication and visibility measures and events on various topics related to the promotion of EU policies (including the EU Green Deal), EU accession and the use of EU funds.

Activities related to Output 2.1:

- Preparing project pipelines, maturing projects, handling procurement processes, managing contracts, and ensuring ongoing monitoring, audits, and evaluations.
- Technical support for capacity building that would ensure complementarity with operational programmes.
- (Re)organisation and strengthening of the institutional set-up, the operational capacities and the financial management and control systems of North Macedonia for the sound management of the EU funds.
- Measures to strengthen the evidence-based and results-oriented approach, including enhanced use of data, improved information exchange between institutions, and stronger national monitoring, evaluation and reporting systems at sector, policy, and programme levels.
- Strengthening operational capacities to programme and manage EU funds in the new financial framework 2028-2034

Activities related to Output 2.2:

- Communication and visibility measures and events on various topics related to the management and absorption of EU funds.
- Measures to ensure transparency and to raise the awareness of the citizens of North Macedonia on the benefits and obligations stemming from the EU accession process.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The EUIF reflects the European Union's longstanding commitment to address environmental and climate change concerns and enhance sustainable development by supporting the harmonisation with the EU *acquis* and implementation of the new legislation under Chapter 27, as well as the alignment with the EU *acquis* in other linked chapters, which in the context of the European Green Deal, will require mainstreaming of the EU Green Agenda. Some examples include Chapter 5 on public procurement introducing quality criteria such as respect to the environment in the public purchase; Chapter 11, under which the greening of agriculture will need to be addressed through the national policy on subsidies; Chapter 8 on competition and state aid,

encouraging state aid for green investments, and Chapter 20 on enterprise and industrial policy, supporting a significant shift to renewable energy, less polluting technologies, transition mechanisms, etc.

Overall, the EUIF, by promoting strategic and responsible governance which addresses the global challenges of today will contribute to an administrative, cultural and policy shift that puts the protection of the environment and a responsible attitude towards the natural resources in the heart of governance. The focus of EUIF on legal enforcement will contribute to changing practices, building capacities, and applying corrective measures when necessary.

By promoting the sector policy dialogues, the sector approach and inclusiveness, EUIF is expected to enhance environmental democracy. It will contribute to policy coordination and interaction between decision-makers and civil society, which will support the mainstreaming of the environmental topic across all sectors and the better response of the authorities to the environmental requirements of civil society.

Finally, the EUIF will also support preparation of mature projects in all sectors, which includes an analysis of each project's environmental and climate impact, ensuring that all EU investments in the country will support the achievement of the European green targets.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1⁶. This implies that gender equality constitutes a fundamental principle of international human rights instruments the country has signed and ratified. The action will promote equal opportunities for men and women through all projects supported under EUIF. This implies an analysis of the gender impact of the major projects as well as inclusion, where possible, of sex-disaggregated data and gender-sensitive indicators for measuring the success of projects, i.e., the number of women and the number of men benefiting from the action (absolute number and percentage of all final beneficiaries). EUIF supports an inclusive legislative and political process that supports women's participation in political decision-making. In addition, projects promoting gender equality are selected with preference. In principle, EUIF will not support gender-blind projects.

Human Rights

The country has a well-developed legislative framework compliant with the EU and international standards on equal opportunities. EUIF will support projects that will ensure law enforcement and the implementation of established rules. The activities under EUIF will help shape a well-functioning, efficient, all-inclusive and impartial civil service. The expected EUIF investments in better harmonisation with the EU standards, more efficient public administration and justice system, and a well-functioning democratic structure will only positively affect the internalisation of the equal opportunity concept in legislative documents and administrative culture. EUIF will support state bodies and democratic institutions to be more effective in implementing international commitments and the national legislation harmonised with the EU *acquis*. The improved rule of law will impact how the rights of minorities and vulnerable groups are addressed in the country.

The selection of EUIF projects implies an analysis of the impact of any project on vulnerable groups. The EU Delegation will ensure that EUIF project beneficiaries observe the principles of equal opportunities and non-discrimination. In case of a breach, the necessary measures will be taken, including project suspension or cancellation.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0⁷. This implies that the action is not focused on addressing challenges related to disability. However, is expected to enhance democratic governance and the rule of law, which will impact on the implementation of the rights of all people with disabilities and vulnerable people. Also, it is expected to support North Macedonia in the case of crises

⁶ Principal objective/significant objective/not targeted.

⁷ The action is not considered relevant for inclusion of persons with disabilities.

and enhance its resilience to challenging developments; this would also contribute to protecting vulnerable groups who disproportionately suffer in crises.

Democracy

While not directly focused on democratic processes, the action will contribute to strengthening democratic principles across North Macedonia administration. The action will contribute to the country's commitment to strengthening democracy by improving the overall framework for the functioning of institutions across administration as part of the EU accession process and will enable the citizens to exercise their democratic rights and freedoms.

Civil Society

North Macedonia, with invaluable support from the EU Delegation in North Macedonia has established and maintained regular consultation and communication channels with civil society organisations. These channels are facilitated through various platforms, including Sector Working Groups, the IPA Monitoring Committee, Sector Monitoring Committees, and the EU consultation platform. The Sector Working Groups, in particular, involve authorities, donors, and civil society in discussing sector priorities. The IPA Monitoring Committee is the highest bilateral EU-North Macedonia platform for dialogue on EU financial assistance. It is essential that the national system for consultation on strategic and legislative documents (ENER) operates more effectively, enabling civil society to provide input on pivotal reforms, particularly when reforms may directly impact civil society organisations. The government is committed to maintaining an inclusive and participatory dialogue with civil society organisations through well-established cooperation mechanisms, such as the Council for Cooperation and Development of Civil Society. Civil society representatives are essential part of the EU accession negotiation process, given that the coordination framework is established to allow effective and intensive consultations. Civil society organisations will be encouraged to participate in the decision-making and monitoring of reforms at the sector level on an ongoing basis. The EUIF will facilitate this process by scaling up the sector policy dialogue, promoting good governance, which gives due consideration to the voice of the citizens, stimulating transparency of the public administration and ensuring the access of citizens to quality and updated information on the reforms and the accession process of North Macedonia.

3.4. Risks and Assumptions

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1-external environment	Elections cause delays in implementation and possible changes in the political environment result in reduced political will to maintain the results of the action	M	H	Elections can directly influence the implementation of the action given the importance of the interventions, since elections cause changes among the decision-making staff in relevant institutions at the central level. This could have a significant impact on the implementation progress. The planning and implementation of activities will be adapted to suit the circumstances in order to minimise disruption to the delivery, scope and budget, while the interventions will be concentrated on the priorities identified by a range of stakeholders, regardless of their political affiliation. In addition, permanent coordination and dialogue with all stakeholders will be

				maintained to ensure the continued advancement of activities.
2-planning, processes and systems	Complexity of interventions involving many institutions and agencies with several competencies may jeopardize the effectiveness of interventions	L	M	At the policy level, coordination and policy dialogue will be channelled through Sector Working Groups, and at the project level, the Steering Committee will involve all relevant stakeholders that were actively involved in the preparation of the action and confirmed their commitment.
2-planning, processes and systems	Limited interest in the institutions to include the issues of gender perspective and fundamental rights in interventions.	L	M	The relevant institutions were engaged in the development of the action and have expressed their commitment to the proposed interventions. Furthermore, individual interventions will include a specific indicator to monitor progress on this point throughout the project period.
3-people and organisation	Lack of sufficient human and financial resources available for the implementation of the action lead to delays in reaching set targets.	M	M	The interventions will include a strong support element that will consider workload analyses of all significant implementing institutions and engage with the beneficiaries throughout the implementation.
4 - legality and regularity aspects	Policy and regulatory framework necessary to implement the action's activities is not developed	L	H	During finetuning of the interventions, an analysis of the legislation that is essential for the implementation of the action will be conducted. This will enable any necessary adjustments to the activities in line with the actual situation.
5 - communication and information	Due to complexity of the action's intervention, lack of communication among stakeholders limits the systemic improvements envisaged by the action	L	M	The collaboration is already in place and should be reinforced to enhance its impact. The action will address this risk by facilitating discussions and cooperation at the technical and high levels, and by involving direct beneficiaries from the outset of the project implementation. Communication with all stakeholders will be essential to mitigate this risk.

External Assumptions

Assumption at the level of Outcome:

- EU integration remains a government priority, which entails a continuous high-level political commitment to EU accession, support for the reforms and active participation in the sector policy dialogue

Assumption at the level of Output:

- Sufficient human and financial resources have been allocated to foster the reforms
- Public scrutiny of the reforms in the country is continuing
- Stakeholders are committed to administer the systemic improvements for the benefit of citizens and society

3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results [maximum 10]	Indicators [it least one indicator per expected result]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To enhance the EU accession process of North Macedonia	Progress made in the EU accession process	Decision to open accession negotiations (2020)	Further progress in the EU accession path (2034)	Commission Reports ⁸ ; decisions by the Member States	<i>Not applicable</i>
Outcome 1	Backed-up accession process in its entirety (enhanced alignment with the EU <i>acquis</i> and EU/International standards, improved implementation of the legal framework in practice, improved implementation, monitoring and reporting of/on the Reform Agenda, and increased public support for the EU accession process)	1.1 Number of closed clusters	0 (2024)	≥ 4 (2034)	Commission Reports; decision by Member States	EU integration remains a government priority, which entails a continuous high-level political commitment to EU accession, support for the reforms and active participation in the sector policy dialogue
		1.2 Percentage of policy reforms implemented via the Reform Agenda	5% (2024)	100% (2028)	Reform Agenda Annual reports	
		1.3 Societal support for the accession process/ Eurobarometer / Positive attitude	58% (06/2023)	≥ 80% (2034)	Standard Eurobarometer Survey	
Outcome 2	Improved effectiveness and visibility of the EU funds invested in the country (sector approach up scaled, EU funding and policy created a sustainable and visible development change)	2.1 Level of absorption of EU funds under IPA II: - Programming rate/value - Contracting rate - Disbursement rate	104% (MEUR 633) 26% (end 2019) 12% (end 2019)	No change 95% (2026) 85% (2028)	Commission report on implementation of IPA Annual IPA Report on Implementation	
		2.2 Level of absorption of EU funds under IPA III: - Programmed value - Contracting rate - Disbursement rate	460 MEUR (2024) 0% 0%	≥ 500 MEUR (2030) ≥ 90 % (2031) ≥ 90% (2034)	Financing agreement	
Output 1 related to Outcome 1	1.1 Strengthened management and coordination of the EU accession process and Reform Agenda	1.1.1 Number of adopted key documents (roadmaps, action plans, guidelines, instructions, rules of procedures)	0 (2024)	≥30 (2034)	Annual reports of ministries	Sufficient human and financial resources have been allocated to foster the reforms
		1.1.2 Number of Reform Agenda requests for release of funds prepared	0 (2024)	≥ 3 (2028)	Reform Agenda Annual reports	Public scrutiny of the reforms in the country is continuing
		1.1.3 Number of civil servants and other participants in negotiation structures trained	0 (2024)	≥ 5000 (2034)	Project final report	Stakeholders are committed to administer the systemic improvements for the benefit of citizens and society
Output 2 related to Outcome 1	1.2 Increased level of alignment of the national legislation with the EU <i>acquis</i>	1.2.1 Number of adopted laws ensuring the harmonisation with the EU <i>acquis</i>	0 (2024)	≥ 150 (2034)	NPAA monitoring reports	
Output 3 related to Outcome 1	1.3 Improved capacity of the national institutions to implement the aligned legislation and progress on the fundamental and structural reforms in support of the country's accession	1.3.1 Number of people trained on the new laws	0 (2024)	25 000 (2034)	NPAA monitoring reports	

Output 4 related to Outcome 1	1.4 Increased outreach to the citizens of North Macedonia on the country's accession to the EU	1.4.1 Number of stakeholders reached through the implementation of the communication strategy	0 (2024)	≥ 20,000/year (2034)	Project final report
		1.4.2 Number of EU-specific spokespersons in national institutions trained	0 (2024)	30 (2034)	Project final report
		1.4.3 Number of journalists on EU affairs trained	0 (2024)	≥ 100 (2034)	Project final report
		1.4.4 Number of outreach events and communication products produced	0 (2024)	≥ 400 (2034)	Project final report
Output 1 related to Outcome 2	2.1 Strengthened national capacity for management of the EU funds	2.1.1 Percentage of contracted IPA III funds under indirect management	0% (2024)	≥ 90 % (2033)	Financing Agreement
		2.1.2 Financial management and control systems operate smoothly (number of high-risk audit findings)	AA: 0 (2024) EC: 0 (2024)	No change AA:0 (2033) EC: 0 (2033)	Audit authority report Commission report
Output 2 related to Outcome 2	2.2 Improved awareness of the citizens of North Macedonia on the country's accession to the EU	2.2.1 Percentage of citizens considering themselves informed about the EU financing	78% (2022)	≥ 90% (2034)	EUD Opinion poll

⁸ https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/strategy-and-reports_en

4. IMPLEMENTATION ARRANGEMENTS⁹

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of North Macedonia.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of conclusion of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁰.

4.3.1. Direct Management (Grants)

4.3.1.1. Grants

(a) Purpose of the grant(s)

Grants may be used for achieving all outcomes and outputs identified in Section 3.

(b) Type of applicants targeted

The applicants must be 1) EU and Member State organisations or mandated bodies or national agencies or international organisations; or 2) legal entities, local authorities, public bodies, economic actors, non-profit organisations, chambers, associations.

4.3.1.2. Twinning Grants

a) Purpose of the grant(s)

Twinning may be used for achieving all outcomes and outputs identified in Section 3.

b) Type of applicants targeted

Applicants must be EU Member State administrations or their mandated bodies.

4.3.2. Direct Management (Procurement)

Procurement may be used for achieving all outcomes and outputs identified in Section 3.

⁹ This section is to be completed by the EU Office/Delegation.

¹⁰ [EU Sanctions Map](#). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

4.3.3. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

If the implementation modality under direct management as defined in section 4.3.1 and 4.3.2 cannot be implemented due to circumstances beyond the control of the Commission, the Contracting Authority may decide, on case-by-case basis and at least 6 months before the expiry of the contracting deadline, to propose amendments of the programme vis a vis the implementing mode.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the Partners or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution 2025 (amount in EUR)	EU contribution 2026 (amount in EUR)	EU contribution 2027 (amount in EUR)
Methods of implementation – cf. section 4.3			
Outcome 1 Accession process backed-up in its entirety (enhanced alignment with the <i>EU acquis</i> and EU/International standards, improved implementation of the legal framework in practice, improved implementation, monitoring and reporting of/on the Reform Agenda, and increased public support for the EU accession process) Outcome 2 Improved effectiveness and visibility of the EU funds invested in the country (sector approach up scaled, EU funding and policy created a sustainable and visible development change) composed of	10 000 000.00	10 000 000.00	10 000 000.00
Grants (direct management) – cf. section 4.3.1	N.A.	N.A.	N.A.
Procurement (direct management) – cf. section 4.3.2	N.A.	N.A.	N.A.
Grants – total envelope under section 4.3.1	4 500 000.00	4 500 000.00	4 500 000.00
Procurement – total envelope under section 4.3.22	5 500 000.00	5 500 000.00	5 500 000.00

Evaluation – cf. section 5.2 Audit – cf. section 5.3	may be covered by another Decision ¹¹	may be covered by another Decision ¹²	may be covered by another Decision ¹³
Strategic Communication and Public Diplomacy – cf. section 6	will be covered by another Decision	will be covered by another Decision	will be covered by another Decision
Contingencies	0.00	0.00	0.00
Totals	10 000 000.00	10 000 000.00	10 000 000.00

4.6. Organisational Set-up and Responsibilities

The EU Delegation to North Macedonia will manage the EUIF in close coordination with the National IPA Coordinator (NIPAC) and the NIPAC office and in line with the EU principles of sound financial management, transparency, and accountability.

The following general procedure will apply:

Any public body or state institution may submit a proposal under the EUIF. Proposals are sent to either National IPA Coordinator (NIPAC) office or the EU Delegation, *ad hoc*, depending on the needs of the potential beneficiaries. The EU Delegation and the NIPAC office can also launch calls for expressions of interest to invite potential beneficiaries to prepare project proposals to address a specifically identified challenge, meeting the EUIF objectives. Proposals should describe the objectives, activities and expected results; define the necessary budget and preferred type of contract.

The proposals will be assessed based on their relevance to the objectives of the EUIF, maturity, compliance with the existing EU assistance in the sector, and other donor funding. The selection of projects is the responsibility of the EU Delegation, acting in close cooperation with the NIPAC office. The EU Delegation may conduct further discussions with the potential beneficiaries to clarify the scope of the projects or the implementation arrangements.

Once the projects are selected for funding, the EU Delegation will be responsible for (1) organisation of the necessary procurement procedures (in case of service, supply or works contracts), call for proposals or direct awards (in case of twinning and grants) and, for (2) signing and managing the respective contracts. The final beneficiaries of the projects are involved in preparing the necessary contracting documentation (terms of reference, technical specifications, guidelines for applicants, and additional technical documents). They participate in the project implementation and work with relevant contractors/grantees. Whenever and wherever possible, a project steering committee is established (for example, for twinning and TA) to ensure proper monitoring of the EUIF projects. They benefit directly from the project outputs and are also the entities ensuring the sustainability of the results.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

¹¹ A portion of the action budget may be allocated for evaluation purposes as needed.

¹² Ibid

¹³ Ibid

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible, at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the Logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Arrangements for monitoring and reporting, including roles and responsibilities for data collection, analysis and monitoring:

The relevant data will be collected, processed and analysed by the EU Delegation, working closely with the NIPAC Office. The beneficiaries and contractors will have the obligation to collect, organise and process relevant data and report to the EU Delegation and the NIPAC Office. Monitoring of the action implementation will be ensured through the relevant semi-annual Sectoral Monitoring Committee (SMC) and annual IPA Monitoring Committee including follow up of the recommendations.

5.2. Evaluation

Having regard to the importance and nature of the action, a mid-term or final and/or ex-post evaluation may be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the EUIF is a complementary, flexible tool for funding *ad hoc* needs related to the accession process or crises.

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least 2 months in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the IPA beneficiary/ies and other key stakeholders following the best practice of evaluation dissemination¹⁴. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the action/component.

In addition, the EUIF itself can fund sector or thematic evaluations at *ad hoc* basis, provided that the focus of the evaluations falls within the thematic scope of the EUIF.

Evaluation services may be contracted under a framework contract.

¹⁴ See best [practice of evaluation dissemination](#)

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the 2022 guidance document [*Communicating and raising EU visibility: Guidance for external actions*](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the IPA beneficiary/ies, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

Any actions related to communication and visibility will be coordinated with the strategic communication actions of the EU Delegations, to ensure coherence of narrative and message, as well as horizontal strategic communication.

7. SUSTAINABILITY

The EUIF invests in a new legislative framework, which would allow easier integration of North Macedonia into the political, economic, and social systems of the European Union when accession will be achieved. Ensuring the compatibility of the legal systems is at the heart of the accession process and is the main vector of sustainability in this action.

Other sustainability factors are the targeted improvement in the decision-making process and the management capacity across the public administration and democratic institutions. By improving the legislative framework, aligning it with the *acquis*, and streamlining the strategic planning and budgeting, the action will enhance key processes in the administrative environment. It will strengthen the ability of the public administration to address challenges efficiently and effectively. Upgraded administrative capacity along with mainstreaming the "Better Regulation" approach will improve the quality of decisions made and the decision-making process itself. From a longer-term perspective, this will affect all sectors and country systems.

Finally, the improved transparency and inclusiveness of the decision-making is a long-term asset of every administrative system, which guarantees higher societal support and decreases the risks for the reform process.

Appendix 1: IDENTIFICATION OF THE PRIMARY INTERVENTION LEVEL FOR REPORTING IN OPSYS

A Primary intervention¹⁵ (project/programme) is a coherent set of results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

- ✓ Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);
- ✓ Articulating Actions and/or Contracts according to an expected common chain of results and therefore allowing them to ensure a more efficient and aggregated monitoring and reporting of performance;
- ✓ Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Please delete this box after filling in the section below

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

Please select in the left side column one of the four possible options for the level of the Primary Intervention(s).

In the case of ‘Group of actions’ level, add references to the present action and other action(s) concerning the same Primary Intervention.

In the case of ‘Contract level’ and ‘Group of contracts’, add the reference(s) to the corresponding budgetary items in point 4.5, Indicative Budget.

The present Action identifies as **<delete the options that are not applicable to the action>**;

Action level (i.e. Budget support, Blending)		
<input type="checkbox"/>	Single action	Present action: all contracts in the present action
Group of actions level (i.e: i) top-up cases, ii) second, third, etc. phases of a programme)		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#): <Present action> <Other action>
Contract level (i.e. Grants, Contribution Agreements, any case in which foreseen individual legal commitments identified in the budget will have different log frames, even if part of the same Action Document)		
<input type="checkbox"/>	Single Contract 1	<foreseen individual legal commitment (or contract)>
<input type="checkbox"/>	Single Contract 2	<foreseen individual legal commitment (or contract)>

¹⁵ For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘Action’ and ‘Intervention’ where an ‘Action’ is the content (or part of the content) of a Commission financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention \[to access the link an EU Login is needed\]](#).

<input type="checkbox"/>	Single Contract 3	<foreseen individual legal commitment (or contract)>
	(...)	
<p>Group of contracts level (i.e: i) series of programme estimates, ii) cases in which an Action Document foresees many foreseen individual legal commitments (for instance four contracts and one of them being a Technical Assistance) and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other, iii) follow up contracts that share the same log frame of the original contract)</p>		
<input type="checkbox"/>	Group of contracts	<foreseen individual legal commitment (or contract) 1> <foreseen individual legal commitment (or contract) 2> <foreseen individual legal commitment (or contract) #>

