

Risk assessment table / PFM RP Action Plan 2019

No.	Functional area	Impact area	Risk trigger event, situation or factor	Risk level	Mitigation measure	Responsibility	Deadlines (dd/mm/yyyy)			Completed ? (Yes / No)	Risk active / closed ?
1	<b>P2 Revenue Mobilization</b> <i>P2M2A1: Implementation of the project activities foreseen in the PROs Modernisation Programme (Including reengineering of business processes, new Tax Integrated IT system)</i>	Strengthening of PRO staff and new recruitments	High level of complexity, linked with other Institutions	Moderate	Strong commitment and coordination of all involved parties for timely preparation, approval and adoption of the Annual plan for employment / promotion of the employees in the PRO that will support the process of modernization of the tax administration and change management	PRO (Management + Human resources) MoF, MISA, Secretariat for implementation of the Ohrid Framework Agreement	By March in the current year, for employment/promotions for the next year			No	Active
2		Software for the new integrated tax IT system and technical support for providing quality assurance during the implementation of the software	High level of complexity, linked with other Institutions	Moderate	Strong commitment and coordination of all involved parties for preparation / implementation of the planned public procurement, i.e. contracting	PRO, MoF and EUD			2021	No	Active
3		Upgrade of current PRO IT sub-systems and equipment, maintaining, licenses etc. (Upgrade and maintenance of e-Tax system; Upgrade of Tax accounting system)	High level of complexity, linked with other Institutions	Moderate	Strong commitment and coordination of all involved parties for preparation / implementation of the planned public procurement, i.e. contracting	PRO (Management + IT + Common Affairs) National Council for Information and Computer Technology (ICT)	31	12	2019	yes	Closed
4		Establishment of new Data IT System Centre (secured location premises; design services and project supervision; Works Contract)	Delay in meeting infrastructure needs	Substantial	Securing location for the new Data IT System Center; and Approved tender dossiers for the planned procurement procedures	PRO (Management + IT + Common Affairs)	31	12	2020	No	Active
5	<i>P2 Revenue Mobilization</i> <i>P2M2A2: Strengthening operational capacities of CARM to increase the quality of controls and responses and introducing further simplification of procedures</i>	Preparation of Input Into the Twinning Project for more Institutions	Complexity of the first sub activity	Low	Securing strong commitment and coordination from all involved parties	CARNM	30	4	2019	yes	Closed
6	<i>P2 Revenue Mobilization</i> <i>P2M2A3: Introducing enhanced models and methods to strengthen the control system to prevent, detect and fight against customs frauds and illegal trafficking of goods while facilitating the trade</i>									Yes	Closed
7	<i>Priority 3: Planning and Budgeting</i> <i>P3M3A1: Preparation and adoption of new/revised organic budget law</i>	<b>Adoption of a new/revised organic budget law</b>	Failure to adopt the law (legal solution) by the Assembly	Moderate	Law should be formulated in the way that is the most appropriate for our system and acceptable for all	Assembly	31	12	2020	No	Active
8	<i>Priority 4: Budget execution</i> <i>M1 Implementation of new financial management information system (FMIS)</i>	<b>Supporting the Development of Integrated Financial Management Information System</b>	Delay in preparation of functional and technical specification of new IFMIS and procurement documents	Moderate	Project has started and the activities for creation of a new information system are ongoing. Securing strong commitment and coordination from all involved parties.	Ministry of Finance with technical assistance by the World Bank	31	5	2021	No	Active

9	<b>Priority 4: Budget Execution P4M4A1: Streamlining (revision) of the mandate and responsibilities of the institutions involved in the public procurement system</b>	<b>Strengthening the capacities of PPB</b>	In the Action plan for 2019, 25 employments in total were envisaged. So far, eight new employments were realised and Public Procurement Bureau has 29 employed civil servants in total. The risk is whether all of the vacancies will be filled and the rest of the consents for new employments will be obtained from the Ministry of Finance.	Moderate	Realisation of the 2020 Annual recruitment plan of the PPB	PPB/MoF	31	12	2020	No	Active
10	<b>Priority 4: Budget Execution P4M4A3: Institutional strengthening of the public procurement system, including the review set-up</b>	<b>Analysis of the mandate and responsibilities of the institutions involved in the public procurement system; Analysis of the education system of the PPB; Analysis of the situation, needs and possibilities of using centralized</b>	Delay in realisation of activities which are planned to be implemented through the Twinning Project Strengthening budget planning, execution and internal control functions MK 18 IPA FI 01 19, due to COVID 19 crisis		Securing strong commitment and coordination from all involved parties	PPB/MoF	30	6	2021	No	Active
11	<b>Priority 4: Budget execution P4M5A3: aligning the legislation with the relevant EU legislation</b>	<b>Preparation and adoption of the new Law on Concessions and Public Private Partnership</b>	Delay in the preparation and adoption of the law by the Assembly of the Republic of North Macedonia	Moderate	Securing strong commitment and coordination from all involved parties for implementation of the planned activities.	Ministry of Economy	31	3	2021	No	Active
			Delays in implementation of the necessary administrative changes in the Ministry of Economy for ensuring adequate institutional capacity for implementation of the new Law on PPP and Concessions. (For the realization and implementation of the new Law on PPP and Concessions, it is envisaged establishment of Unit for PPP and Concessions. For that purpose is planned employment of 3 new officers and undertaking of 2 employees with migration of working position, as soon as appropriate legal conditions would be established)	Moderate	Securing strong commitment and coordination from all involved parties	Ministry of Economy	31	3	2021	No	Active
12	<b>Priority 3 and Priority 4: P3M6A1 and P4M6A1- Strengthening the human capacities that will bear the burden of the activities planned</b>	<b>1. Developed capacities for compilation of EDP notification tables 2. General Government Accounts established in accordance with ESA 2010 and made available for policy makers</b>	The State Statistical Office did not realise any employment in 2019, because the plan for employments in 2019 was not approved (we did not get an approval from the Ministry of Political System).	Substantial	The 2020 plan for employment is approved, but it is in a standstill position due to the decision for early elections in April, and now due to the measures for coping with the COVID 19 epidemics. As soon as these measures are removed, SSO will realise the employment plan.	SSO	31	12	2020	No	Active
13	<b>Priority 6: Internal Control</b>	<b>Improved PIFC (FMC and IA) legislation and methodological framework</b>	Delay in the preparation and adoption of the Law on the Internal Financial Control System in the public sector	Moderate	Improving the planning of activities	Ministry of Finance	31	3	2021	No	Active
14	<b>Priority 7: External Control and Parliamentary Oversight</b>	<b>Development and Implementation of SAO Strategic Plan of Audits</b>	Delay in the preparation and adoption of the Guidelines for Strategic and Annual Planning on Audits and the Multi-annual Audit Plan 2021-2023	Moderate	Working Group within SAO is established to develop the Guidelines for Strategic and Annual Planning on Audits. Trainings for strategic planning of audits to SAO auditors has been carried out	State Audit Office	31	12	2020	No	Active