

ACTION PLAN FOR PERIOD 2019-2021

PRIORITY 1: IMPROVING THE RELATIONSHIP BETWEEN STRATEGIC PLANNING AND PLANNING OF RESOURCES										
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)	
Measure 1.1: Harmonization of timeframes for strategic and financial planning	Activity 1.1.1: Modification and amendment to the Strategic Planning Methodology in accordance with the new Organic Budget Law in order to harmonize the timeframes.	Q1-Q2 2020	GS of the Government	369.000 MKD 6.000 EUR	State Budget	% of fully coordinated strategic and annual plans with resources in 4 pilot ministries	0%	75%	100%	
	Measure 1.2: Including clearly defined limits for each sector in the Fiscal Strategy and the Medium-Term Budgetary Framework for the Ministries within their overall competence	Activity 1.2.1: Development of sectoral limits for the overall competence of the Ministries.	Q1-Q2 2020	Ministry of Finance – Budget Department	738.000 MKD 12.000 EUR					State Budget
	Measure 1.3: Establishing / improving the cascading model of goals in strategic and annual plans	Activity 1.3.1: Establishing the cascading model of goals in strategic and annual plans in four pilot institutions.	Q3-Q4 2020	CHU supported by GS	6.150.000 MKD 100.000 EUR					Twinning project
Activity 1.3.2: Preparing report with recommendations for establishing the cascading model of goals in strategic and annual plans and preparing new goals in the whole public sector, as well as a plan for their implementation.		Q4-2020	CHU supported by GS	492.000 MKD 8.000 EUR	Twinning project					
PRIORITY 2: STRENGTHENING THE DECENTRALIZED MANAGERIAL ACCOUNTABILITY										
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)	
Measure 2.1: Strengthening accountability and reporting lines, providing recommendations and their implementation in four pilot institutions	Activity 2.1.1: Assisting the four pilot institutions in establishing:	Q1-Q2 2021	CHU and Pilot institutions	12.300.000 MKD	Twinning project	% of heads of departments with general authorizations in the 4 pilot institutions	N/A	/	100%	
	The institutional setup in terms of overlapping of competences, accountability and reporting lines;			200.000 EUR						
	Connection of the strategic and annual goals with the assigned tasks of the managers;									
	Respecting the hierarchical structure in the formal delegation of the competencies of the managers by giving mandates and submandates and respecting the principle for the top managers (ministers and their deputies, directors and their deputies and secretaries) to be responsible for making strategic decisions, and the managers from the lower levels for making operational decisions in four pilot institutions;									
	The degree of autonomy and provided resources to achieve the expected results in accordance with the granted decision-making authorisations,									
	The degree of delegation of tasks and responsibilities to/ the lowest management level.									
	Activity 2.1.2: Preparing a report with recommendations for strengthening managerial accountability and their implementation, on the basis of which will be prepared information with draft conclusions what will be submit to the Government of the Republic of Macedonia for adoption.	Q2 2021	CHU and Pilot institutions	492.000 MKD 8.000 EUR	Twinning project					
Measure 2.2: Promotion the results from the enhanced accountability at the four pilot institutions	Activity 2.2.1: Organizing a public event for senior management structures for presenting the results.	Q3- 2021	CHU	1.230.000 MKD 20.000 EUR	Twinning project					
PRIORITY 3: EFFICIENT RISK MANAGEMENT										
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)	
Measure 3.1: Updated and applied guidelines for managing with key risks in achieving objectives, preventing fraud and corruption in public procurement, and preventing further arears creation from public sector entities.	Activity 3.1.1: Developing a simplified guide to ease the process of risk management.	Q12019	CHU	626.377 MKD 10.185 EUR	Twinning Light project	results of the risk management quality review in 4 pilot	n/a	based value will be established	improved	

Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)
	Activity 3.1.2: Maintaining workshops to raise awareness of the usefulness of risk management	Q2 2019	CHU	626.377 MKD 10.185 EUR	Twinning Light project	institutions			
Measure 3.2: Practical application of key risk management and providing a timely response to risks in four pilot institutions	Activity 3.2.1: Providing support in the practical application of key risk management and providing timely response to risks	Q3-Q4 2021	CHU and Pilot institutions	6.150.000 MKD 100.000 EUR	Twinning project				
Measure 3.3: Promote the results of the practical application of the key risks management of the four pilot institutions.	Activity 3.3.1: Organizing a public event for senior managerial structures for presenting the results.	Q4-2021	CHU and Pilot institutions	1.230.000 MKD 20.000 EUR	Twinning project				
PRIORITY 4: CONTROL ACTIVITIES IN FINANCIAL MANAGEMENT									
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)
Measure 4.1: Determining weaknesses in key control activities in one pilot institution	Activity 4.1.1: Conducting an assessment at the control activities in achieving objectives, preventing fraud and corruption in public procurement, and preventing the further creation of arrears	Q3-Q4 2019	CHU and Pilot institutions	?	Bilateral project with the Netherlands	% of developed written procedures for achieving objectives, preventing fraud and corruption in public procurement, and preventing the further creation of arrears in four pilot institutions.			
Measure 4.2: Enhancing control activities in financial management based on realistic assessment of key risks in achieving objectives, preventing fraud and corruption in public procurement, and preventing the further creation of arrears in four pilot institutions.	Activity 4.2.1: Provide support in assessing key risks in financial management	Q1-Q3 2020	CHU and Pilot institutions	2.460.000 MKD 40.000 EUR	Twinning project		0%	100%	100%
	Activity 4.2.2: Provide support for incorporating responses to assessed key risks in internal acts / procedures.	Q1-Q3 2020	CHU and Pilot institutions	1.230.000 MKD 20.000 EUR	Twinning project				
Measure 4.3: Promoting the results of the enhanced efficiency of the control activities in the financial management of the four pilot institutions in other institutions	Activity 4.3.1: Organize a public event to present the results of the pilot institutions.	Q4 2020	CHU and Pilot institutions	1.230.000 MKD 20.000 esap	Twinning project				
PRIORITY 5: INFORMATION, COMMUNICATION AND MONITORING									
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)
Measure 5.1: Strengthening information and communication systems in four pilot institutions	Activity 5.1.1: Providing support to institutions in improving the internal reporting system that will provide timely, accurate and complete data and information as well as their exchange between internal organizational units in the entities.	Q3-Q4 2021	CHU and Pilot Institutions	2.460.000 MKD 40.000 EUR	Twinning project	% of institutions that in the plans for establishment and development of FMC provide measures that improve the systems for reporting and communication			
	Activity 5.1.2: Supporting institutions to improve the way they exchange information within their organization and externally with other institutions in charge, as well as communicating with citizens / users of services, through continuous publication of performance indicators and progress reports.	Q3-Q4 2021	CHU and Pilot Institutions	2.460.000 MKD 40.000 EUR	Twinning project		N/A	/	100%
Measure 5.2: Strengthening monitoring systems in four pilot institutions	Activity 5.2.1: Providing support at institutions to improving the implementation of self-assessment of the separate processes of the financial management and control system and preparing a plan for eliminating the identified weaknesses and irregularities.	Q3-Q4 2021	CHU and Pilot Institutions	2.460.000 MKD 40.000 EUR	Twinning project				
Measure 5.3: Promoting results of strengthened reporting systems, communication and monitoring from the four pilot institutions to other institutions	Activity 5.4.2: Organize a public event to present the results.	Q4 2021	CHU and Pilot Institutions	922.500 MKD 15.000 EUR	Twinning project				
PRIORITY 6: INTERNAL AUDIT									
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)
Measure 6.1: Reorganization of internal audit structure	Activity 6.1.1: Analysis of the internal audit organizational structure with a proposal for reorganization.	Q1 2019 - Q2 2019	CHU	1.440.000 MKD 23.414 EUR 651.777 MKD 10.598 EUR	State Budget Twinning Light project	Average number of auditors per internal audit unit			
	Activity 6.1.2: Preparation of an act on the manner of organization of the internal audit.	Q1 2020	CHU				1,34 (213/159)	N/A	1,8%
Measure 6.2: Strengthening of the internal audit quality	Activity 6.2.1: Implementation of national certification of internal auditors.	Q1 2020 - Q4 2021	CHU						
	Activity 6.2.2: Organizing and conducting continuous trainings.	Q1 2020 - Q4 2021	CHU	18.450.000 MKD 300.000 EUR	Twinning project				
PRIORITY 7: FINANCIAL INSPECTION									
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)

Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)
Measure 7.1: Improving the regulation of financial inspection in the public sector	Activity 7.1.1: Analysis of the existing regulation regarding the responsibilities and operations of the financial inspection in the public sector.	Q1-Q4 2020	CHU	246.000 MKD 4.000 EUR	State Budget	Number of financial inspectors	0	3	5
	Activity 7.1.2: Amendments to the Regulation in accordance with the analysis made.	Q1-Q4 2020	CHU	246.000 MKD 4.000 EUR	State Budget				
Measure 7.2: Strengthening the administrative capacity of the financial inspection.	Activity 7.2.1: Equipping the financial inspection in the public sector with human resources.	Q1-Q3 2019	MoF	3.380.378 MKD 54.965 EUR	State Budget				
	Activity 7.2.2: Preparation of program and organizing exam for certification of financial inspectors.	Q1-Q3 2019	MoF	1.500.000 MKD 25.000 EUR	State Budget				
PRIORITY 8: ENSURING THE PERMANENT QUALITY OF PUBLIC INTERNAL FINANCIAL CONTROL									
Measure	Activity	Timeframe	Owner	Cost implications	Sources	Indicators	Basic indicator (2019)	Expected indicator 2020	Expected indicator (2021)
Measure 8.1: Strengthening the capacity of the CHU	Activity 8.1.1: Improving the organizational structure and structure of employees in the CHU.	Q1- 2019	MoF/ CHU		State Budget	Number of conducted quality checks on the operation of the internal audit units and the quality of financial management and control By CHU.	0	2	4
	Activity 8.1.2: Strengthening the capacities of the employees in the CHU through trainings	Q1- 2019 - Q4 2021 and continuously	MoF/ CHU		State Budget				
Measure 8.2: Strengthening the activity of the CHU	Activity 8.2.1: Preparation of a Methodology for reviewing the quality of the operations of the internal audit units and the Methodology for reviewing quality of the financial management and control by the CHU.	Q1- 2019 - Q4 2019	CHU	660.510 MKD 10.740 EUR	Twinning Light project				
	Activity 8.2.2: Conducting a reviews on the quality of the operations of the internal audit units and the quality of the financial management and control by the CHU.	Q1- 2020 - Q4 2021 and continuously	CHU	12.300.000 MKD 200.000 EUR	Twinning project				