

Risk assessment table / PFM RP Action Plan 2021

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	P2 Revenue Mobilization P2M2A1: Implementation of the project activities foreseen in the PROs Modernisation Programme (Including reengineering of business processes, new Tax Integrated IT system)	Strengthening of PRO staff and new recruitments	High level of complexity, linked with other Institutions	Substantial	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 Substantial (Risk Level)	Substantial	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	2024	No	Active
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	yes	Closed
5	P2 Revenue Mobilization P2M2A2: Strengthening operational capacities of CARM to increase the quality of controls and responses and introducing further simplification of procedures	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	P2 Revenue Mobilization 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									Yes	Closed
7	Priority 3: Planning and Budgeting P3M3A1: Preparation and adoption of new/revised organic budget law	Adoption of a new/revised organic budget law	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	2021	No	Active
8	Priority 4: Budget execution M1 Implementation of new financial management information system (FMIS)	Supporting the Development of Integrated Financial Management Information System	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	12	2023	No	Active

9	<i>Priority 4: Budget Execution P4M4A3: Institutional strengthening of the public procurement system, including the review set-up</i>	Strengthening the capacities of PPB	The risk is whether the vacancies will be filled and the consents for new employments will be obtained from the Ministry of Finance.	Moderate	Realisation of the 2021 Annual recruitment plan of the PPB	PPB/MoF	31	12	2021	No	Active
10	<i>Priority 4: Budget Execution P4M4A3: Institutional strengthening of the public procurement system, including the review set-up</i>	Realization of the planned activities from the Twinning project	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	Moderate	Securing strong commitment and coordination from all involved parties	PPB/MoF	31	12	2021	No	Active
11	<i>Priority 4: Budget execution P4M5A3: aligning the legislation with the relevant EU legislation</i>	Preparation and adoption of the new Law on Concessions and Public Private Partnership	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	<i>Priority 3 and Priority 4: P3M6A1 and P4M6A1- Strengthening the human capacities that will bear the burden of the activities planned</i>	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	The State Statistical Office did not realise any employment in 2020	Substantial	For the time being, SSO is working with the staff available, with careful planning of the activities. The employment plan for 2021 is prepared and waiting for approval by the MoF.	SSO/MoF	31	12	2021	No	Active
13	<i>Priority 6: Internal Control</i>	Improved PIFC (FMC and IA) legislation and methodological framework	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	30	9	2021	No	Active
14	<i>Priority 7: External Control and Parliamentary Oversight</i>	Development and Implementation of SAO Strategic Plan of Audits	Delay in the preparation and adoption the Strategic Audit Plan 2021-2023 based on the Guidelines for Strategic and Annual Planning on Audits	Moderate	Working Group within SAO was established to develop the Strategic Audit Plan 2021-2023 based on the Guidelines for Strategic and Annual Planning on Audits.	State Audit Office	31	12	2020	Yes	Closed