

ANNEX II

to Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of North Macedonia for 2021

Action Document for “EU against organised crime, in support of trade”**1. SYNOPSIS****1.1. Action Summary Table**

Title	Action 02 - EU against organised crime, in support of trade Annual Action Plan in favour of North Macedonia for 2021
CRIS/OPSYS Number	043-662/2
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Team Europe Initiative	No
Zone benefiting from the action/location	The action shall be carried out in North Macedonia
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and Thematic Priority	Window 1: Rule of Law, Fundamental Rights and Democracy Thematic Priority 3. Fight against organised crime / security Window 2: Good Governance, EU <i>acquis</i> alignment, Good neighbourly relations and Strategic communication Thematic Priority 2: Administrative capacity and EU <i>acquis</i> alignment Thematic Priority 3: Good neighbourly relations and reconciliation
Sustainable Development Goals (SDGs)	Main SDG 16: Peace, Justice and Strong Institutions Other significant SDG 17: Partnership for the Goals
DAC code(s)	15210 - Security system management and reform– 42% 33120 – Trade facilitation – 58%
Main Delivery Channel¹	12000 - Recipient Government

¹ <http://www.oecd.org/dac/stats/annex2.htm>.

Markers (from CRIS DAC form)	General objective	policy	Not targete d	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"/>
	Trade Development		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Reproductive, Maternal, New born and child health		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with disabilities		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers		Not targete d	Significant objective	Principal objective
	Biological diversity		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal markers	Policy objectives		Not targete d	Significant objective	Principal objective
	Digitalisation		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Migration		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	COVID-19		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION					
Amounts concerned	Budget Line: 15.020101.01 Total estimated cost: EUR 14 000 000.00 ²				

² This action is financed in parallel co-financing by North Macedonia for an amount of EUR 1 700 000.
This action is financed in joint co-financing by North Macedonia for an amount of EUR 1 700 000.

	EU budget contribution: EUR 10 600 000.00
MANAGEMENT AND IMPLEMENTATION	
Type of financing and method(s) of implementation	Project Modality Direct management through: - Grants - Procurement
Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans	Priorities: “Digital Transition”, “Private Sector Support”, “Common Regional Market and Economic Integration”, “Governance, Rule of Law, PAR” Flagships: “VIII Digital Infrastructure”, “IX Support Competitiveness”
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2022
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 Action will enhance the fight with organised and cross-border crime in North Macedonia and will support the implementation of the integrated border management concept through the synergetic effect of the enhanced border controls and facilitated cross-border movement of people and goods.

The Action will improve the track record in the fight against organised crime by strengthening the national prevention, detection and crime combatting capacities. It will support the digitalisation of the data generated in the various law enforcement bodies, will enhance the exchange and use of data, introduce new technologies and upgrade the investigation skills in the law enforcement bodies. The Action will establish new capacity for fighting environmental and cultural heritage crime.

The EU support will help North Macedonia to improve the effectiveness of the border controls. The upgrade of the Customs’ IT systems, in line with the latest EU requirements, will allow the country to implement in full its obligations under the Common Transit Convention. The renovation and upgrading of the Border Crossing Points (BCP) with the EU will ensure smoother border traffic for legal businesses and passengers with the EU.

The Action will have an impact on the country’s security and will create a positive trade effect.

2. RATIONALE

2.1. Context Analysis

North Macedonia strives to join the EU and continues to implement reforms to harmonise its regulative and institutional framework with the EU, foster the economic development and achieve cohesion with the EU economic and social standards. In March 2020, the European Council endorsed the decision to open accession negotiations with North Macedonia³. The EU accession process requires fundamental reforms, including in the areas of the rule of law, the fight against organised crime and corruption. While progress has been achieved in the last few years, the Commission Reports⁴ and strategic documents provide key recommendations and clearly outline a number of challenges that must be addressed.

Organised crime

The Western Balkan region is a transit area for trafficking and smuggling of migrants and goods by criminal groups from Asia to Western Europe. In the last decades of the twentieth century, social, economic and political factors played an essential role in the rise of organised crime in the area. The majority of organised crime groups operating in the Western Balkans seem to be rather medium or small size and fragmented. In the absence of large, hierarchical organised criminal groups, especially in the drug trafficking, smaller criminal organisation groups control only segments of territories and work with each other. The Balkans are situated between the biggest producer of opium (Near and the Middle East) and the biggest market for heroin (Western Europe) and is becoming an increasingly critical entry point of cocaine, as well as a place for laundering the proceeds of crime⁵. The Western Balkans is also a route for people moving illegally from the Middle East and North Africa to Western Europe, either as smuggled migrants or victims of human trafficking. Corruption is a crucial facilitator for organised crime and a preeminent factor explaining the inefficiency of policy interventions.

These organised crime trends make North Macedonia particularly attractive for trans-border criminal organisations and create severe challenges for the national police and law enforcement bodies. The country is both a transit and origin country of illicit drugs. North Macedonia is one of the few countries that produces and exports cannabis for medical use. In 2020, the track record of North Macedonia for seizing drugs and dismantling organised crime groups continued to improve. In particular, as mentioned in the North Macedonia 2021 Report⁶ in 2020, there was a significant improvement in the prevention of drug trafficking. A total of 733 criminal offences were recorded, from which 857 perpetrators were reported. In the period January-June 2021, 306 criminal acts were detected, for which criminal prosecution measures were taken against 368 perpetrators. Six organised criminal groups with 24 members (four operating internationally and two nationally) were uncovered in 2020, while two organised groups of 16 members were uncovered in 2021. In 2020, the Ministry of Interior seized 1890 kilograms of marijuana, 16 kilograms of heroin and two kilograms of cocaine. In the period January – June 2021, one tone of marijuana was seized.

In the first quarter of 2020, five individuals were indicted for trafficking of human beings and 11 individuals were indicted for smuggling of migrants.

Data collected on trafficking in human beings in North Macedonia suggest that prosecutions and convictions, as well as detected victims of trafficking in human beings, are on the decline⁷.

³ <https://www.consilium.europa.eu/media/43076/26-vc-euco-statement-en.pdf>

⁴ https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/strategy-and-reports_en

⁵ The Global Initiative. Against Transnational Organised Crime. “Hotspots of organised crime in the Western Balkans” May 2019.

⁶ SWD(2021) 294 final

⁷ United Nations Office on Drugs and Crime (UNODC). Measuring Organised Crime in the Western Balkans (2020).

In 2019, there were six identified victims of trafficking, all are women and four are children (two victims of forced marriage, one of sexual exploitation and one of forced labour, one of whom is foreign).

Concerning money laundering, it is often linked to financial crimes such as tax evasion, smuggling, financial fraud, insurance fraud and corruption⁸. Data indicate that the links between money laundering and organised crime are very strong in North Macedonia. Over the years 2013-2016, arrest for money laundering in its organised and non-organised forms seemed to fluctuate in a related pattern, rising and falling in parallel.⁹ On cybercrime, the most common forms are activities regarding online payment with fraudulently owned payment cards. While there are a lot of arrests for cybercrime, hitting a peak of 83 two times during the period 2012-2016, convictions remain very low in comparison.

North Macedonia is in a very early stage of developing capacities to fight Environmental Crime and Cultural heritage crime. The country is committed to put in place the necessary administrative resources and to align the methodology with the EU standards. In this context, the European Multidisciplinary Platform Against Criminal Threats (EMPACT) is a useful tool, since based on a clear methodology for setting, implementing and evaluating priorities in the fight against organised and serious international crime. Participating in the EMPACT will allow North Macedonia to develop the capacities to tackle the most important threats in a coherent, methodological way and to strengthen cooperation with the relevant services of the Member States, EU institutions and EU agencies.

In 2016 and 2017, the national police managed to dismantle 12 criminal organisations and arrest about 220 persons involved in criminal groups¹⁰ dealing with trafficking, money laundering, smuggling migrants and cybercrime. The track record of investigations, prosecutions and convictions in the fight against organised crime has improved in 2020-2021 when 16 investigations were launched against 81 people, indictments against 79 persons were announced and final convictions were pronounced against 36 persons. In 19 cases first instance decisions were pronounced on assets seizure and confiscation against 36 individuals. While recognising the progress, the Commission North Macedonia 2021 Report¹¹ extends further the recommendation to improve the track record of investigations, prosecutions and convictions for organised crime and money laundering, and demonstrate the ability to effectively dismantle large criminal networks.

Trade

North Macedonia and the rest of South East European (SEE) countries have seen a steady increase in the total external trade in goods and services. The total value of trade in goods and services amounted to 132% of GDP in 2019. Total bilateral trade with the EU increased by 8.9% and exceeded EUR 10.5 billion or 70.2% of total trade in 2019, followed by the Central and Eastern Europe Free Trade Agreement (CEFTA) parties (10.1% in 2019). Exporting companies, particularly SMEs, still face obstacles linked to non-tariff barriers, including technical standards, sanitary and phytosanitary measures and administrative barriers. Poor quality of logistics is an impediment to further increases in exports. In 2018 the World Bank's logistics performance indicator ranked North Macedonia 81st out of 160 countries (World Bank, 2018).

The country is committed to the Digital agenda through continuous implementation of new IT systems, at the same time establishing system for their continuous upgrading and maintenance,

⁸ Money Laundering and Financial Crimes Country Database. United State Department of State, Bureau for International Narcotics and Law Enforcement Affairs (2015) <http://2009-2017.state.gov/documents/organisation/239329.pdf>

⁹ United Nations Office on Drugs and Crime (UNODC) elaboration of national criminal justice data.

¹⁰ Annual Report for Performance Police Duties. Ministry of Internal Affairs, Public Security Bureau, 2018.

¹¹ SWD(2021) 294 final

thus ensuring business continuity and preparing to cope with competitive pressures and market forces within the EU. Integration with the EU in trade and investment should be deepened further while exports and manufacturing output should be further diversified towards higher-value products.

The country has implemented most of the provisions of the World Trade Organisation (WTO) Trade Facilitation Agreement, actively participates in the Central and Eastern Europe Free Trade Agreement (CEFTA) and implements the multi-annual action plan for the development of a Regional Economic Area, including the application of Additional Protocol 5 of CEFTA on Trade Facilitation. This protocol aims to simplify inspections related to all clearance procedures and reduce paperwork as much as possible, through the electronic exchange of information between customs authorities. The government adopted the text of Protocol 6 on trade in services and the investment reform action plan is already being implemented. North Macedonia has been a member of the Common Transit Convention since 2015 and it applies the EU rules on transit movements. The country has chaired the annual meeting of the joint committee in 2019. Within the Common Transit Convention, the New Computerised Transit System (NCTS) allows for paperless submission of transit declarations and cheaper and faster movement of goods across borders.

The concept of *Authorised Economic Operators* (AEO) was intensively promoted by the Customs Administration recently. Seventeen companies are already certified as AEO, and more than 40% of the declarations in 2019 were submitted under simplified procedures. The country had its authorised economic operator programme validated, which now allows for mutual recognition of its AEO certificates by the CEFTA countries.

2.2.Problem analysis

Area of Support #1 Fight against organised crime and corruption

One of the persisting issues in the investigation process remains the use and exchange of data between the different law enforcement bodies. The EU had already supported the country in establishing the basics of an interoperability system and in improving the communication between the key law enforcement agencies. The data exchange is regulated through specific memoranda, ensuring the data protection and confidentiality aspects. However, there is a need to further improve the data collection and storage, and to intensify the exchange of data for different criminal cases of organised crime, cross-border crime, cases of corruption, management of confiscated and frozen assets, and financial investigations. It is also important to link the customs to the law enforcement system. This comprehensive approach will allow enhanced digitalisation of the data collection, data analytics and collaborative use by police, customs, financial police, public prosecution and other authorities with appropriate competences, at national, regional and local level.

An essential element of this process is the full digitalisation of the system of processing, storing, and usage of the scientific evidence, collected at crime scenes. At present, the data is manually managed and involves distributing paper files to law enforcement bodies. The development of a laboratory information management system covering the Institute of forensic medicine and all forensic laboratories will improve the daily dynamic of work, will reinforce the internal controls and follow-up of the business process, and will address the requirements of the law enforcement bodies to have fast, credible and quality data.

The security of a country depends greatly on the quality of the border controls, and this passes through the use of new generation technology, allowing authorities to detect and intervene in case of threats.

Area of Support #2 Border management and Trade facilitation at borders

Waiting times at **Border Crossing Points** (BCPs) is one of the most prominent indicators describing the efficiency of border crossings. The efficiency of Border Crossing Points is a synergy of three crucial elements: 1) the quality of the physical infrastructure of the Border Crossing Points and the related transport infrastructure; 2) implementation of the International Agreements; and 3) capacity of the staff working for the agencies present at the border crossing. The cross border efficiency, among others, depends on the successful implementation of the customs regulations, in line with the Community system, the improvement and operability of the border facilities, and technological modernisation necessary to combat smuggling, corruption and illegal human trade.

North Macedonia has invested considerable resources in improving the physical border infrastructure along the Corridor X, allowing fluid transport from/to Greece to/from Serbia. The existing facilities and infrastructure at the borders with Bulgaria, remain rudimentary. This involves two border-crossing points, at Deve Bair and Delcevo. The obsolete infrastructure and lack of support facilities impact on the effectiveness and efficiency of the customs controls and delay the cross-border flow of goods.

The use of the new technologies is another vector for improving the efficiency and effectiveness of the customs controls. They allow focusing on cross-border security while still keeping costs low for the private sector. North Macedonia made progress with completing the new 'paperless' electronic system for processing customs declarations and excise documents, as the new Customs Declarations and Excise Documents Processing System was finalised and put into use on 1 June 2019. It makes the movement of goods cheaper and faster across borders. This core system, integrated with the other functional IT systems, provides a more efficient process of movement and clearance of goods. To meet the EU requirements in the area of customs union and the EU *acquis*, it is necessary to develop other complementary IT systems needed to fully implement the CEFTA Protocol 5 on trade facilitation and comply with the Convention on Common Transit Procedure. This represents high priority for the Customs Administration.

The Action will involve various stakeholders:

- The **Ministry of Interior (MoI)** is the main policy maker in the home affairs sector, also responsible for the coordination and supervision of implementation and reporting of the sector reforms.
- The **Public Security Bureau (PSB)** within the MoI comprises a set of structures, responsible for ensuring public order and security, including combating organised crime, financial crimes, trafficking in human beings, drugs, weapons, terrorism cases and criminal intelligence and analysis. The Department for Border Affairs and Migration (DBAM) is dealing with all the aspects related to the border management
- The **National Coordination Centre for Organised and Serious Crime (NCC)** was created in 2014 to strengthen national cooperation in fighting organised and serious crime. The NCC is composed of representatives from the Ministry of Interior, Customs Administration, Financial Police Office, Financial Intelligence Office, Public Revenue Office and Public Prosecutor. The director of the PSB manages the NCC. NCC will be part of this Action and will benefit from the capacity-building programme and all coordination enhancing activities.
- The **Basic Public Prosecutor's Office for Prosecuting Organised Crime and Corruption** is a specialised Basic Public Prosecutor Office under the direct supervision of the Public Prosecutors Office of North Macedonia, competent to investigate, prosecute and bring to justice cases of corruption and organised crime.

- The **Criminal Court in Skopje** has a specialised department for cases of organised crime and corruption.
- Concerning the fight against organised crime, the institutional framework is under optimisation since 2018 when a major functional reform was launched, and three new bodies were being established: **National Security Agency, Intelligence Agency and Military Agency.**
- An important vector of further development implies strengthening the national capacities for conducting financial and complex investigations and property confiscation. The PPO uses existing investigative capacities of the law enforcement agencies: **Financial Police Directorate; Department for the Suppression of Organised and Serious Crime; and Criminal Police.**
- The **Customs Administration**, as a body within the Ministry of Finance with a status of separate legal entity, was established on 14th April 1992 with the adoption of the *Law on the Customs Administration*, thus becoming directly competent to implement laws and other regulations of North Macedonia in the overall area of customs, law enforcement and directly responsible for the management of the border crossing points.
- The **Institute of Forensic Medicine, Criminalistics and Medical Deontology, Medical Faculty**, within the University of St. Cyril and Methodius, is a highest-ranking institution in the area of forensic expertise in North Macedonia. As a leading authority in this area of expertise, it is constantly upgrading its capacity and knowledge in the field of forensic sciences. Besides the scientific activities of the Institute, the core role of the Institute are the Forensics laboratories dealing with examination of evidentiary material and reporting findings to a responsible requesting institution (court/police/private person).

2.3.Relevance and credibility of IPA III beneficiaries’ policies and strategies

The **strategic framework** consists of a large number of sector and sub-sector strategies.

In the area of fighting organised crime, the strategic framework encompasses the Police Development Strategy 2016-2020, National Strategy on Illicit Drugs 2014-2020, National Strategy for Fight Against Money Laundering and Financing Terrorism 2017-2020, National Small Arms and Light Weapons Control Strategy 2017-2021, National Strategy for Combatting Trafficking of Human Beings and Illegal Migration 2017-2020 and the Strategy to Strengthen the Capacity for Conducting Financial Investigation and Asset Confiscation 2018-2020, and Joint Action Plan on Counter-Terrorism for the Western Balkans. Most of these strategies have already expired; reports on their achievements are still not finalised. To streamline the strategic framework for the new programming period, the Ministry of Interior established a unit in charge of strategic development and monitoring of the implementation of some strategies, which can take the responsibility for following up on the strategic objectives on this thematic priority.

As regards trade facilitation, the sub-sector priorities are established by the Public Finance Management (PFM) Reform Programme (2018-2022), the Strategic Plan of the Customs Administration 2021-2023 and the Strategy on ICT development of the Customs Administration 2019-2023. These documents create a solid strategic framework for the Action, which will contribute in its turn to achieving the defined by the country strategic priorities.

To ease up the monitoring and follow on the strategic priorities, the national authorities, with the EU support, during 2020, developed a sector **Performance Assessment Framework (PAF)**, based on a set of impact and outcome indicators, targets and baseline data. The

indicators formulated and agreed for these thematic priorities provide a solid system for measuring the progress in compliance with evidence-based approach in policy making.

The sector **policy dialogue** is channelled through the Sector Working Group on Home Affairs (SWG HA). The trade facilitation and customs matters are discussed in the Sector Working Group on Public Finance Management (SWG PFM), chaired by the Minister of Finance. The SWGs focus the discussions on the national sector priorities and their implementation in an inclusive and participatory manner. They embed the IPA programming but go far beyond the discussions on EU funds: this is the platform to voice the opinion of the various donors and international partners, relevant state institutions and civil society on how effective are the current policies and how the multiple donors contribute to the national sector priorities. The SWGs are meeting in different formats: decision-making (at least twice per year) and technical (at least once per month).

The **institutional set-up** is much dependent on the ongoing reforms and the definition of responsibilities and mandates. Yet, all required institutions are well established and possess good administrative and professional capacities. The **budget** allocated to the public order and national security represents in 2018, 2019 and 2020, about 6% of the national budget¹².

2.4. Relevance and complementarity with EU policy and EU and other donors' assistance

The Action is in line with the IPA III Programming Framework and is designed to mainly contribute to the achievement of the specific objective of Window 1: Rule of Law, Fundamental Rights and Democracy, Thematic Priority 3: Fight against organised crime/security; to set up effective systems to establish and strengthen existing track records of proactive investigation, prosecution and conviction for organised crime as well as to counter terrorism, radicalisation and combating all forms of violent extremism.

Furthermore, the Action will address the priorities and recommendations included in the North Macedonia 2021 Report¹³ in the areas of Justice, Freedom and Security and Migration and Border Management; and in Chapter 29: Customs Union; Chapter 30: External relations; as well as the Conclusions of 17th Subcommittee Meeting on Trade, Industry, Customs and Taxation (November 2020). The Action is also relevant for the implementation of trade related measures under the Economic Reform Programme. The Action is informed by the Agreement on Operational Strategic Cooperation with Europol, and is guided by the recommendations of the relevant Stabilisation and Association Agreement (SAA) Council meetings, the Decision by the EU-EFTA Joint Committee on common transit and the Decision by the EU-EFTA Joint Committee on simplification of formalities in trade of goods, as well as by the Schengen Border code and the Electronic Customs Multi-Annual Strategic Plan for Customs (MASP-C). Complementarity with the Partnership against Crime and Terrorism project in the Western Balkans (WB PaCT), led by CEPOL, will be ensured to enhance the capacities of the authorities in the Western Balkans to fight organised crime and terrorism.

The Action is in line with the **Economic and Investment Plan** for the Western Balkans¹⁴ which indicates that better connecting the economies of the Western Balkans - within the region and with the EU – is a priority. The Economic and Investment Plan also outlines that the rule of law is a crucial aspect of democratic transformation and the key benchmark against which the EU assesses progress towards membership.

¹²Citizen Budget: <http://budget.finance.gov.mk/raspredelba.html>

¹³ SWD(2021) 294 final

¹⁴ COM(2020) 641 final

2.5. Lessons learned

The total IPA II envelope for home affairs for North Macedonia under the bilateral pillar reached almost EUR 30 million and covers the fight against organised crime, terrorism and money laundering, and border management, including quality of customs controls. The implementation of this essential for the country assistance provides for the formulation of the following lessons:

- Organised crime is often cross-border, dynamic, well digitalised, well organised and potentially infiltrating all decision-making systems. Therefore, it is practically impossible to fight it successfully at national level only. Cooperation at regional level, as well as with the EU structures is therefore a must. National capacities have to be available to allow the countries exchange data and information, and participate in joint repressive actions against organised criminal groups. A mix of regional and national tools can be more effective.
- The fight against the organised and cross-border crime is a highly sensitive area, which requires high-level political commitment. To support this commitment and ownership, an inclusive sector policy dialogue must be maintained. The low effectiveness of the governance and the institutions are also a major factor contributing to the success of the organised crime. Therefore, well working strategies involve a mix of tools. Capacity building will certainly help a proactive approach from law enforcement; a combination of evidence from different sources will help the investigation processes decrease the pressure of the criminal groups on; assets seizure is often more harmful for criminal groups than imprisonment. While digitalisation cannot be a panacea in the fight against organised crime, the technology leapfrogging may considerably improve the way institutions operate and communicate, improve their performance and reduce costs and delays in treating evidence.
- In order to improve competitiveness and long-term economic growth, North Macedonia should, among other, focus on investments in trade facilitation, improving customs procedures and control capacities, as well as orientation towards economic operators. The modernisation in terms of technology and renovation in accordance with EU requirements, standards and best practices - will ensure uninterrupted legal movement of goods and people across the region and EU, while at the same time provide for enhances safety of the society.
- The criminal-justice approach must be coupled with strong prevention and awareness raising approaches. This implies addressing the socio-economic factors, which create marginalisation and enlarge the social basis for organised criminal groups. Therefore, the EU must invest equally in the socio-economic development, focusing on the education, labour market and creating economic perspectives.

3. DESCRIPTION OF THE ACTION

3.1 Planned results and intervention logic

The overall objective of the Action is to improve the security in North Macedonia and at its borders while supporting the free movement of people and goods. It will contribute to the implementation of the integrated border management concept in practice through the synergetic effect of the enhanced border controls and facilitated cross-border movement of people and goods. The Action will have an impact on the country's security, and will create a positive trade effect. It is expected, that in mid to longer-term perspective (2027), it will decrease the crime rate by 11%.

The Action will produce the following outcomes:

Outcome 1: Improved prevention and control of organised crime

The EU investments will enhance the technical capacities of the law enforcement bodies to prevent, detect and combat organised and serious crime. This will be achieved by digitalising the data generated in the various law enforcement bodies and enhancing the data exchange. The cooperation in the data use will reinforce the investigative process and will improve its efficiency. The EU investments will also upgrade the capacities of the forensic laboratories to manage evidence and will enhance the use of scientific data in investigations. EU funding will be channelled to the establishment of the needed regulatory and institutional framework for combatting the environmental and cultural heritage cross-border crime. As a whole the Action will improve the track record in the fight against organised crime: it will raise by 2% the conviction rate of accused people and will decrease by 77% the irregular border-crossing rate.

Outcome 2: Efficient border management, facilitating the legitimate border crossing and trade

The Action will modernise the Customs Administration's technological basis for law enforcement and will raise the effectiveness and efficiency of the customs control and investigations in the fight against organised crime, including combatting and preventing migrant smuggling, human trafficking and detection of foreign fighters returning from conflict zones in line with international standards. As a result, the time to obtain law enforcement data by the customs officers will be decreased from 2 hours to 5 minutes. The effectiveness of the border controls will be improved to support the fight against cross-border crime while ensuring easier and smoother border traffic for legal businesses and passengers. The Action will channel funds to renovate and upgrade the Border Crossing Points (BCP) with the EU and will decrease by 30% the average time for customs border formalities at the road border crossing points. The EU will also invest in deploying three new IT tools to allow North Macedonia implement all obligations related to the standard transit regime in line with the latest EU requirements. This involves the deployment of a New Computerised Transit System (NCTS) Phase 5, a System for Identity and Access Management (IAM) and a system for Registration of Economic Operators (EORI2). This will benefit over 5000 economic operators using the Common Transit Convention and over 9000 Economic Operators from North Macedonia who will be assigned with a unique Registration number, allowing them faster and smoother border crossing. This will have an impact in longer-term perspective (2027) on the ranking of North Macedonia in the Logistic Performance Index (Customs) raising the country's score by 43% compared to 2018 index.

3.2 Indicative type of activities

The Action will be implemented through the following activities:

Outcome 1: Improved prevention and control of organised and cross-border crime

Output 1.1 Digitalisation and extended use of investigation and control records and data

This output entails the following activities:

- (1) Upgrading of the IT tools (hardware and software) at the law enforcement bodies to ensure the management and the exchange of data collected by different enforcement bodies through the investigations on serious and organised crime and cross border crimes. This is a part of the interoperability concept agreed within the sector reform priorities; the data exchange is regulated through specific memoranda, ensuring the data protection and confidentiality aspects. The data exchange will cover organised crime cases, cross-border

crime, cases of corruption, management of confiscated and frozen assets, and financial investigations. Further on, the Action will encourage the participation of the competent authorities of North Macedonia in EMPACT activities during the upcoming cycle 2022-2025.

- (2) Upgrade the information management system of the forensics laboratories to allow them track evidentiary items through the examination lifecycle, and conduct analyses in a manner that is both efficient and thorough. For this purpose, the core Laboratory Information Management System (LimsLOOP®system), compliant with the ISO 17025 standard, will be upgraded with 19 additional modules. This activity will provide the Institute of forensic medicine, criminalistics, and medical deontology with highly secured comprehensive, seamlessly integrated end-to-end laboratory information management system which will increase the productivity of the laboratories, will provide a secured environment for evidence and analytical work, will reduce the human error in the input and output of data and will improve the data accuracy.

Output 1.2 Strengthened institutional and technological capacities to investigate organised and cross-border crime and corruption

This output involves the following activities:

- (1) Improvement of the legal and operational framework for fighting environmental crime, which is the world's third most lucrative criminal business after drugs and counterfeit goods, ahead of human trafficking¹⁵. This activity will allow North Macedonia to progress in an early harmonisation with the new Environmental Crime Directive and to start building its capacity for effective regulatory response to the cross-border threats created by the environmental crime.
- (2) Improvement of the legal and operational framework for fighting cultural heritage crime, which demonstrates strong links to organised crime. The Action will support North Macedonia in establishing a system for countering cultural heritage crimes.
- (3) Building the capacities of national officers to investigate on environmental and cultural heritage crime, to analyse the trends in environmental and cultural heritage trafficking, to cooperate with EU and international investigators.
- (4) Establishment of an internal platform of the Customs Administration, which will allow data and information linked to the customs operations to be also used through the implementation of a new Law Enforcement System. The new IT tool will support the management of records linked to the monitoring, investigations and prosecution of cases of cross-border crime.
- (5) Modernisation of the screening and customs control equipment i.e. detectors for drugs, precursors and controlled substances and UFED (Universal Forensic Extraction Device) type devices.

Outcome 2: Facilitated cross-border trade and passengers traffic

Output 2.1 Renovated and upgraded Border crossing points with Bulgaria in line with the EU standards

This output will be achieved through construction, reconstruction and rehabilitation activities at the two-border crossing with Bulgaria: Delcevo and Deve Bair, which are inadequate to the current needs for effective border control and trade facilitation. The rehabilitation works will allow the authorities to establish one-stop-shop service and priority lanes and facilitate

¹⁵ Interpol, 2020 Report

passenger's traffic. For Delcevo, the reconstruction process involves renovation of 1100 m² of the border control station, wastewater treatment station construction, and reconstruction of supporting roads and truck parking terminals of 5500 m². Regarding Deve Bair, it is envisaged: (i) a complete reconstruction of asphalt surface at the BCP point and the border area (approx. 5200 m²); the building used by the customs officers and police (512 m²), and roof shelter at the entry and exit from North Macedonia (620 m²); (ii) design and construction of two additional lanes into North Macedonia, access road to the customs slope (1200 m²); and (iii) reconstruction of the sanitary facility, wastewater treatment plant and overall lighting.

Output 2.2 Upgraded Customs' IT systems in line with the latest EU requirements

This output involves the following activities:

- (1) Putting in place a New Computerised Transit System (NCTS) phase 5. As a result, North Macedonia will be able to implement in full its obligations under the Common Transit Convention, to which it is a member since 1 July 2015.
- (2) Communication of the opportunities provided by the NCTS, preparation of methodological guidance on registration and training of representatives of Economic Operators involved on transit operations and prepares them to use the new NCTS 5 procedures.
- (3) Putting in place a System for Identity and Access Management (IAM) integrating Uniform User Management and Digital signature, in accordance with MASP, and a System for Registration of Economic Operators (EORI2) in line with the latest EU requirements. The system will enable unique identification and access for the economic operators, recognised by customs authorities. This will serve as a common reference for exchanging information between the customs authorities and, where appropriate, between customs and other authorities/ institutions – in line with the new requirements defined in the Union Customs Code (UCC).
- (4) Development of the body of knowledge for the use of the new IT tools and building the capacities of the customs officers to use them, perform registration and tracking activities.

3.3 Risks and assumptions

Risks	Risk level (H/M/L)	Mitigating measures
The organised crime has surpassed the capability and capacity of the law enforcement agencies of North Macedonia. It has become more interconnected, international and digital. The risk of infiltrating the low security systems is high, thus making the defence and security structures vulnerable and ineffective.	H	North Macedonia has recognised the severity of the problem. Addressing it passes through a reform exercise, covering development of investigation capacities, strengthening the role of the Parliament, which has to make fighting organised crime a political priority, improving the operational cooperation and information-sharing, addressing some of the main criminal activities of organised crime groups, cooperation between the law-enforcement and anti-corruption communities. The country needs to extend the cooperation with the EU, which requires harmonisation of the

		legal, judicial and investigative frameworks to address organised crime. The Action is an important intermediary step on this path.
Assumptions		
<u>At the level of Outcomes</u>		
High level strong and permanent commitment to fight organised crime and corruption		
EU accession continues to be a priority		
Economy is recovering		
<u>At the level of Outputs</u>		
Political and institutional support to sector reforms and implementation of the sector strategies translated into sufficient staff level, and financial resources for the bodies and institutions involved		

3.4 Mainstreaming

How does this Action contribute to Gender Equality and Women’s and Girls’ Empowerment (in line with the EU gender equality strategy 2020-2025)?

The country has put in place the legal framework to ensure gender equality through the adoption of the Law on equal opportunities for women and men and the Law on prevention and protection from discrimination. The current legal framework actually prohibits discrimination on the grounds of gender and sexual orientation and prescribes that equal representation of men and women exists when one sex is represented with at least 40% per cent in bodies at all levels (state, municipal levels other institutions).

This Action is gender-sensitive. It will strengthen the capacities to combat trafficking in human beings the main victims of which are girls and women and will improve the crimes-related data including sex and age disaggregated data on victims. On the trade component, the infrastructure investments take into account the needs of children, women and people with disabilities.

How does this Action address Environment and Climate change?

This Action is environment-sensitive and will contribute to addressing environment concerns. The Action will establish the institutional and regulative framework for fighting environmental crime, which is the third biggest cross-border crime in the world. By digitalisation of the data collection, storage and exchange, it will decrease of the paper circuits and will contribute to saving of natural resources. The Action will also invest in rehabilitation of a border crossing point and adjusting support infrastructure, which includes energy efficiency renovations and building of a system for treating of wastewaters.

How does the Action address the Rights Based Approach?

North Macedonia is a reliable partner in the implementation of the EU Action Plan on Human Rights and Democracy 2020-2024. The Action will support the country to deliver on this commitment by up scaling the fight against crime, which protects the right of humans to life, liberty and **security**. Further on, the Action will reinforce the rights based approach in border infrastructure accessibility-

Other (such as Resilience and Conflict Sensitivity, Roma, people with disabilities and other vulnerable groups)

By reinforcing the national capabilities for fighting organised crime the Action reflects the commitment of the country to protect the rights and support the social inclusion of vulnerable groups. Many studies show that organised crime flourishes in communities that remain

vulnerable, disadvantaged and fractured; organised crime groups use vulnerabilities like mental health, drug addiction, debt, family dysfunction and troubled childhoods with success. Organised crime offers any patronage or protection to the desperate or dispossessed under challenging times. By reinforcing the fight with organised crime, by strengthening the rule of law, the EU investments will make the state stronger and limit the space for the criminal entrepreneurs.

How does this Action promote the systematic engagement with Civil Society?

The civil society organisations have been engaged in the identification of the national sector priorities, primarily during the preparation of the relevant strategic documents and the discussion of the sector performance assessment framework. Since the programming of IPA is embedded in the national policy dialogue platform (Sector Working Group), the EU assistance is also defined in inclusive consultations with all stakeholders. This approach will be extended at the implementation phase for this Action. The harmonisation of the national legislation with EU *acquis* is one area, where the inputs of the civil society organisations are requested.

3.5 Conditions for implementation

No specific (pre)conditions apply to this Action.

3.6 Logical Framework for PROJECT MODALITY

Results	Results chain:	Indicators	Baselines(year)	Targets (year)	Sources of data	Assumptions
Impact	To improve security in the country and at its borders, while supporting the free movement of people and goods	Crime rate (Crimes/100000 inhabitants)	38,10 (2017)	34 (2027)	Eurostat ¹⁶	The methodology of the enlargement package remains unchanged.
		Logistic Performance Index - Customs	2.45 (2018)	3.5 (2027)	LPI Website ¹⁷	
		Level of country's preparation to implement the EU <i>acquis</i> on border management (chapter 24)	Moderately prepared (2020)	Higher alignment with the <i>acquis</i> (2027)	Commission Reports ¹⁸	
Outcome 1	Improved prevention and control of organised crime	Rate of convicted persons against reported people	30% (Average of 2016-18)	35% (Average of 2025-27)	SSO ^{19/20}	High level strong and permanent commitment to fight organised crime and corruption.
		Rate of convicted persons against accused people	83% (Average of 2016-18)	85% (Average of 2025-27)		
		Time to obtain law enforcement data by the customs officers	2 hours (2020)	5 min. (2023)	Annual report of the customs Office ²¹	
Outcome 2	Efficient border management, facilitating the legitimate	Number of Economic Operators utilising the benefits of Common Transit Convention	9000 (2019)	>10000 (2027)	Annual Customs Report ²²	EU accession continues to be a priority.

¹⁶Source:http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=crim_off_cat&lang=en

¹⁷<https://lpi.worldbank.org/international/global/2018>

¹⁸https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/strategy-and-reports_en (chapter 24)

¹⁹http://makstat.stat.gov.mk/PXWeb/pxweb/en/MakStat/MakStat_Sudstvo/100_SK_ml_T-1.px/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5ef

²⁰Considered crimes: Crimes against life and body, Crimes against the freedoms and rights of humans and citizens, Crimes against public finances, payment operations and the economy, Crimes against property, Crimes against official duty, Crimes against legal transaction, Crimes against the public order

²¹Source:<http://www.customs.gov.mk/index.php/en/about-us-en/publikacii-i-godishni-izveshtai/izveshtai-en/godishni-izveshtai-mk>

²²<http://www.customs.gov.mk/index.php/en/about-us-en/publikacii-i-godishni-izveshtai/izveshtai-en/godishni-izveshtai-mk>

Results	Results chain:	Indicators	Baselines(year)	Targets (year)	Sources of data	Assumptions
	border crossing and trade					Economy is recovering.
Output 1.1	Digitalisation and extended use of investigation and control records and data	Case management system in place	0 (2020)	1 (2024)	Final report	Political and institutional support to sector reforms and implementation of the sector strategies translated into sufficient staff level, and financial resources for the bodies and institutions involved.
		Number of enforcement bodies included in data exchange (number of signed memoranda)		>10 (2026)	Annual reports of the enforcement bodies	
Output 1.2	Strengthened institutional and technological capacities to investigate organised and cross-border crime and corruption	Number of inter-institutional cooperation agreements between specialised units and national agencies	0 (2019)	> 2/year (2024)	Copies or extract of the agreement	
		Number of investigators trained	0 (2019)	>50 (2023)	Lists of participants, training materials	
		Number of modern detection and scanning tools put in use for Customs law enforcement units (detectors for drugs, precursors and controlled substances, UFED type devices)	0 (2020)	>27 (2023)	Acceptance certificates	
		An internal platform for the Law Enforcement System for the Customs Administration in place	0 (2020)	1 (2023)	Acceptance certificates	
Output 2.1	Renovated and upgraded Border crossing points with	Number of square meters of renovated facilities	0 (2020)	≥ 2200 sqm (2023)	Project reports	
		Number of square meters of renovated parking areas	0 (2020)	≥ 6500 sqm (2023)		

Results	Results chain:	Indicators	Baselines(year)	Targets (year)	Sources of data	Assumptions
	Bulgaria in line with the EU standards	Average time for customs border formalities at the road border crossing point	90 min. (2019)	60 min. (2027)	Border posts statistics	
Output 2.2.	Upgraded Customs IT systems in line with the latest EU requirements	Number of new IT systems in line with the latest EU requirements	0 (2021)	3 (2025)	Customs IT systems	
		Number of EO utilising the benefits of Common Transit Convention through the New Computerised Transit System Phase 5(NCTS 5) Number of the national Economic Operators assigned with a unique EORI number through Registration of Economic Operators (EORI2)	0 (All EO currently using NCTS Phase 4) (2019) 0 (2019)	≥ 5000 (2024) ≥ 9000 (2027)	IT system Reports	

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing agreement

In order to implement this Action, it is foreseen to conclude a financing agreement with North Macedonia.

4.2. For budget support only – NA

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 measures²³.

4.3.1. Direct Management (Grants)

Grant – Twinning – "Strengthening the fight against organised crime":

- a) *Purpose of the grant:* To ensure the implementation of Output 1.2. Strengthened institutional and technological capacities to investigate organised and cross-border crime and corruption, sub-activities (a), (b) and (c).
- b) *Type of applicants targeted:* The applicants must be EU Member State administrations or their mandated bodies. The essential selection criterion is the operational capacity of the applicant. The essential award criteria are technical expertise of the applicant, and the relevance, methodology and sustainability of the proposed action.

Grant "Renovation of Border Crossing Points with Bulgaria":

- a) *Purpose of the grant:* To ensure the implementation of Output 2.1. Renovated and upgraded Border crossing points with Bulgaria in line with the EU standards.
- b) *Type of applicants targeted:* Public body of North Macedonia with legal competency and national mandate to implement the national laws and regulations in the area of customs and border management and has a direct responsibility for the management of the border crossing points in partnership with a Public body of North Macedonia with legal competency in the area of infrastructure.
- c) *Justification of a direct grant:* Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the Customs Administration in partnership with the Ministry of Transport and Communication (MoTC), on the grounds of Article 195(c) and (f). The Customs Administration possesses de jure and de facto monopolistic management of the border crossing points of North Macedonia and in cooperation with the MoTC has the technical

²³ www.sanctionsmap.eu - 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.

competence and administrative power to implement the renovation and construction works.

4.3.2. Direct Management (Prizes) – NA

4.3.3. Direct Management (Procurement)

Procurement procedures are envisaged for achieving the following outputs:

- Output 1.1. Digitalisation and extended use of investigation and control records and data;
- Output 1.2. Strengthened institutional and technological capacities to investigate organised and cross-border crime and corruption;
- Output 2.2: Upgraded Customs IT systems in line with the latest EU requirements.

Subject	Indicative type (works, supplies, services)	Indicative trimester of launch of the procedure
Output 1.1. Digitalisation and extended use of investigation and control records and data	Service	Q1 2022
Output 1.2. Strengthened institutional and technological capacities to investigate organised and cross-border crime and corruption	Supply	Q1 2022
Output 2.2: Upgraded Customs IT systems in line with the latest EU requirements: NCTS Phase 5, Identity and Access Management (IAM) and Registration of Economic Operators (EORI2)	Service	Q4 2022

4.3.4. Indirect management with [an] entrusted entity[ies] (i.e. Member State Organisation, third donor country, EU specialised (traditional/regulatory) agency, international organisation) - NA

4.3.5. Indirect management with an IPA III beneficiary - NA

4.3.6. Contribution to a relevant Regional Blending Facility/Platform - NA

4.3.7. EFSD+ operations covered by budgetary guarantees - NA

4.3.8. Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option) – NA

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.

4.5. Indicative budget

	EU contribution (amount in EUR)	Indicative third party contribution, in EUR
Output 1.1. Digitalisation and extended use of investigation and control records and data, composed of	1 400 000	400 000
Direct management (Procurement) – cf. section 4.3.3	N.A.	
Output 1.2. Strengthened institutional and technological capacities to investigate organised and cross-border crime and corruption, composed of	3 000 000	500 000
Direct management (Grants) – cf section 4.3.1	N.A.	
Direct management (Procurement) – cf. section 4.3.3	N.A.	
Output 2.1. Renovated and upgraded Border crossing points with Bulgaria in line with the EU standards, composed of	2 200 000	1 700 000
Direct management (Grants) – cf section 4.3.1 (with the Customs Administration)	N.A.	
Output 2.2: Upgraded Customs' IT systems in line with the latest EU requirements, composed of	4 000 000	800 000
Direct management (Procurement) – cf. section 4.3.3	N.A.	
Evaluation (cf. section 5.3)	will be covered by another decision	N.A
Audit/Expenditure verification (cf. section 6)	will be covered by another decision	N.A
Communication and visibility (cf. section 7)	NA	N.A
Contingencies	0	0
TOTAL	10 600 000	3 400 000
of which Direct Management	10 600 000	3 400 000
Grants - total envelope under section 4.3.1	3 200 000	1 700 000
Procurement– total envelope under section 4.3.3	7 400 000	1 700 000

4.6. Organisational set-up and responsibilities

The Delegation of the European Union to North Macedonia is in charge of taking all needed measures to ensure that the contractors produce the required deliverables.

On behalf of the national authorities, the main counterparts are the Ministry of Interior (MoI) – for the part related to fighting organised crime and management of borders and migration flows, and the Customs Administration backed up by the Ministry of Finance (MoF) – for the trade facilitation. These authorities shall assume a key role as regards the overall coordination of the activities to be implemented, as main coordinator of the stakeholders, and also as organiser of the sector policy dialogue. The implementation of the Action will also involve the Ministry of Labour and Social Policy, Ministry of Health and Ministry of Foreign Affairs as stakeholders. The National IPA Coordinator (NIPAC) and his office (Secretariat for European Affairs) are responsible for the overall coordination of the IPA assistance, which includes also for the provision of the national co-financing, monitoring of the actions and taking the necessary measures in case of problems.

The bilateral policy dialogue on the implementation of the action is channeled through the IPA Monitoring Committee and the sector Monitoring Committee on Environment.

The multilateral policy dialogue is focused in the Sector Working Group on Home Affairs, chaired by the Minister of Interior, and the Sector Working Group on Public Finance, chaired by the Minister of Finance.

5. PERFORMANCE/RESULTS MONITORING AND REPORTING

5.1. Internal monitoring

Within the framework of this Action, the Ministry of Interior, and Ministry of Finance (Customs Administration) shall assume a key role in the general coordination of the activities to be implemented, the coordination of the actors involved, as well as the organisation of political dialogue within the respective sectors.

However, for the monitoring of the implementation of the project, the main responsible institutions, together with EU Delegation, NIPAC Office and other stakeholders, will establish per each activity to be implemented a **Project Steering Committee**, which will monitor the project implementation. At macro level, the indicators at the level of outcome and impact will be part of the PAF (<https://paf.vestelglobal.com/PAF/>).

5.2. Roles & responsibilities for data collection, analysis & reporting

The progress in the implementation of the Action will be monitored at sector level through the established in 2020 Performance Assessment Framework (PAF), which includes outcome and impact indicators, targets and baseline data. PAF has been established as a web-based application (to be backed up by a Government decision on responsibilities and deadlines) allowing regular electronic input of data, data processing and data analytics.

The PAF data will be used and discussed in the Sector Working Groups on Home Affairs and on Public Finances, which are the inclusive platform of all stakeholders to monitor the implementation of the sector priorities. This set up implies that the two ministries will assume a key role in supervision of the implementation of the Action, and in the organisation of policy dialogue to discuss challenges and results.

At output level, data about the implementation of each project and contract will be collected in OPSYS, and will be based on the data from official documents such as reports, acceptance certificates or equivalent documents.

The project itself is a tool to improve the capacities of the national and transnational institutions to monitor the sector developments. The competent actors are expected to produce timely and meaningful data for the monitoring of results and impact of the Action.

5.3. Evaluation

Having regard to the importance of the Action, a final evaluation will be carried out for this Action via independent consultants. It will be carried out for accountability and learning purposes at various levels (including for policy revision).

The Commission shall inform the implementing partner at least 2 months in advance of the dates foreseen for the evaluation 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 partner country and other key stakeholders. 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 project.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

6. AUDIT

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 audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing Decision.

7. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be

included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegations and Offices. The European Commission and the EU Delegations and Offices should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

More specifically, the promotion of the EU support will be ensured at different levels.

- At the level of the action, the communication policy will be based on few activities with high communication potential. Cooperation with the NIPAC office and the other beneficiaries will be very important to ensure one-voice communication to citizens on the EU values in the respective sector and policy area.
- At contract level, all contractors and grantees shall respect the EU communication and visibility requirements in force. The communication and visibility plans will be approved by the EU Delegation. All contractors are expected to show a good communication reflex and the ability to exploit unexpected opportunities to promote the activities and the EU support. Focus should be put on "out-of-the-box" communication solution having the potential to attract the attention of media and citizens and allow passing important messages. The opportunities provided by the digital communication and social media shall be used at large. It is the responsibility of the contractors and beneficiaries to keep the EU Delegation and the Commission fully informed of the planning and implementation of the specific visibility and communication activities. The implementation of the communication activities shall be funded from the budgets of the separate contracts.

Visibility and communication shall focus on results and changes achieved and shall demonstrate how the EU support brings the country closer to the EU standards. The objective is to improve the awareness on the EU funding of the general public and not only of target specific audiences. The communication policy applied must ensure that the added value and impact of the EU's interventions are understood by the citizens and that EU funds are managed and used in a transparent, efficient and effective way for the benefit of the country as a whole.

8. SUSTAINABILITY

The sustainability potential of the action is high at institutional, regulatory and even financial level. Coupling capacity building with digitalisation and modernisation of the equipment will improve the efficiency of the business process, will spare time and resources and will allow the country to deliver on the international commitments. The body of knowledge will be improved along with the regulative environment. The Action will create new capacity to respond to the environment and cultural heritage crimes, and to cooperate more effectively with the EU in combatting cross-border crime.

Another vector of sustainability is provided by the inclusive policy dialogue which is expected (1) to support the implementation of the coherent sector policies, underlying this Action, by keeping a strong focus on the sector priorities, and (2) to translate the political commitment into sufficient funding and modern human resource management to ensure that the policy gains are sustained.

The investments in the border crossing points will save time and efforts of both authority and business operators. The maintenance of the new and rehabilitated facilities and equipment will be ensured through the state budget.