



## **INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020**

### **REPUBLIC OF NORTH MACEDONIA**

Support to participation in Union  
Programmes and Agencies

#### **Action summary**

This Action is supporting the country in participating in EU Programmes. The purpose is to co-finance the costs of the "entry-tickets" which the beneficiary has to pay for the participation in Union Programmes, and, by those means, to facilitate the progressive transfer of know-how and the strengthening of capacities of the relevant beneficiaries.

<b>Action Identification</b>	
<b>Action Programme Title</b>	Annual Action Programme for the Republic of North Macedonia for the year 2020
<b>Action Title</b>	Support to participation in Union Programmes
<b>Action ID</b>	IPA 2020/41-831/01.03/MK/Union Programmes and Agencies
<b>Sector Information</b>	
<b>IPA II Sector</b>	1. Democracy and Governance
<b>DAC Sector</b>	43010 (multisector aid)
<b>Budget</b>	
<b>Total cost</b>	EUR 15,400,000
<b>EU contribution</b>	EUR 7,700,000
<b>Management and Implementation</b>	
<b>Method of implementation</b>	Indirect management
<i>Direct management:</i> <b>EU Delegation</b>	The IPA Funds Management Department (National Fund) is responsible for financial implementation of the Union Programmes.
<i>Indirect management:</i> <b>National authority or other entrusted entity</b>	The NIPAC Office is responsible for overall coordination of and reporting on the Union Programmes.
<b>Implementation responsibilities</b>	IPA Funds Management Department (National Fund) Ministry of Finance Dame Gruev 14, 1000 Skopje Tel.+389 2 3255 301 Fax.+389 2 3106-156
<b>Location</b>	
<b>Zone benefiting from the action</b>	Republic of North Macedonia
<b>Specific implementation area(s)</b>	Nationwide activities
<b>Timeline</b>	
<b>Final date for concluding Financing Agreement(s) with IPA II beneficiary</b>	At the latest by 31 December 2021
<b>Final date for concluding contribution/delegation agreements, procurement and grant contracts</b>	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
<b>indicative operational</b>	6 years following the conclusion of the Financing Agreement

<b>implementation period</b>			
<b>Final date for implementing the Financing Agreement (date by which this programme should be de-committed and closed)</b>	12 years following the conclusion of the Financing Agreement		
<b>Policy objectives / Markers (DAC form)</b>			
<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	x
Aid to environment	<input type="checkbox"/>	x	<input type="checkbox"/>
Gender equality (including Women In Development)	<input type="checkbox"/>	x	<input type="checkbox"/>
Trade Development	<input type="checkbox"/>	x	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	x	<input type="checkbox"/>	<input type="checkbox"/>
<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Biological diversity	x	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	x	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	<input type="checkbox"/>	x	<input type="checkbox"/>
Climate change adaptation	<input type="checkbox"/>	x	<input type="checkbox"/>

## 1. RATIONALE

### PROBLEM AND STAKEHOLDER ANALYSIS

The purpose of Union Programmes and Agencies is to support the European Union's internal policies in various sectors: culture, media, education, science and research, social policy, environment protection, transport, energy, competitiveness and innovation, justice, fiscal and customs policy, gender equality, etc.

In 2003 the EU agreed in the Thessaloniki Agenda to open the participation in Union Programmes and Agencies to the IPA beneficiaries, following the approach used in the past for candidate countries. In its Communication "Preparing for the participation of the Western Balkan countries in Union Programmes and Agencies" of 3 December 2003<sup>1</sup> the Commission established the main principles and guidelines of participation of the IPA beneficiaries in Union Programmes, underlining the need for a selective and gradual approach.

The Commission approach is based on three pillars:

- A bilateral Framework Agreement (FA) between the European Union and the IPA beneficiary on the general principles for participation in Union Programmes has to be signed. North Macedonia and the EU signed this agreement on 22 November 2004, and after the adoption and ratification procedure the Framework Agreement entered into force on 29 June 2005.
- For each Union Programme, the Commission needs to conclude International agreements (IAs) with the IPA beneficiary wishing to take part. The agreements lay down the rules governing participation, in particular the administrative capacities required, the planned financial contribution, the mechanisms for taking part in the management of the programme and the financial-control provisions.
- The IPA beneficiary has to pay into the Union budget a financial contribution to cover the estimated costs of participation by their citizens or institutions, the so-called "entry ticket". The EU financial pre-accession instrument (IPA II) can be used to pay a part of the "entry ticket" for a particular Union Programme.

With the expected opening of the negotiations the country will have an increasing need of closer cooperation with Member States and to build its capacity to approximate with the EU *acquis*. Participation of IPA beneficiaries in EU Programmes aims at promote reform and modernisation and at the same time strengthen administrative and regulatory convergence with the EU. By taking part in the Union Programmes, the country is building technical and administrative capacity for the implementation of the EU sectoral policies.

Union Programmes are open for participation from the very beginning of each financial perspective. Hence, the funds for the participation to Union Programmes for year 2021 need to be available in

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<sup>1</sup>COM(2003) 748 final

the same year in order to meet the requests for payment of "entry tickets". The Union Programmes for the new financial perspective 2021-2027 have not been adopted nor have they been defined. In this respect the IPA allocations and the national co-financing are indicative. IPA II 2020 will support the participation of the country in the programmes listed in Section 3 Budget breakdown. The section is indicative as the new Union Programmes are not yet adopted by the relevant EU institutions. Moreover, based on a Government approval, the country needs to express its interest to participate in some of the next financial perspective Union Programmes and Agencies once these are adopted by the relevant EU institutions. The key stakeholders in the process are the IPA Funds Management Department responsible for the payment of the entry tickets. The final grant beneficiaries are involved in the implementation of the activities resulting of the participation of the country in the Union Programmes or the Agencies. Potential obstacles to smooth operation are lack of funds for timely payment of the entry tickets by the national authorities, shortage of ministerial staff, lack of political support or inadequate technical capacities to support the end beneficiaries in information sharing, etc. In this context, training of the final stakeholders is a key element for the sustainability of the preparatory actions.

On the side of the European Union and the relevant DGs it is essential to provide the necessary technical descriptions of the actions and the annual costs in time and assign adequate resources to the management/monitoring of the contracts.

#### **OUTLINE OF IPA II ASSISTANCE**

The EU will financially support the participation of North Macedonia in selected Union Programmes through covering partially of the costs of the relevant entry tickets. The objective of this financial aid is to enhance exchanges with EU Member States. This is expected to promote reform and modernisation, and strengthen administrative and regulatory convergence of the country with the EU.

The IPA II Funds Management Department at the Ministry of Finance is responsible for the management of the received grant funds and the timely payment of the entry tickets. The relevant programme managing entity, supported by the NIPAC Office, is responsible for promoting the Union Programmes and encouraging the various potential indirect beneficiaries (private business, citizens, civil society organisations, etc.) liaise with EU counterparts, prepare and implement projects to support country's development. The final grant beneficiaries are responsible, as per their participation status, for the implementation of the activities resulting from the participation of the country in the Union Programmes.

#### **RELEVANCE WITH THE IPA II INDICATIVE STRATEGY PAPER AND OTHER KEY REFERENCES**

The revised Indicative Strategy Paper (ISP) 2014-2020 identifies the need to provide assistance for co-financing entry-tickets to the relevant Union Programmes. This Action will focus on those Programmes identified as priorities by the Government and being in line with the objectives of the respective ISP sectors, i.e. the Rule of Law and Fundamental Rights, Democracy and Governance, Competitiveness innovation, agriculture and rural development, Environment and climate change, Transport, Education, employment and social policies.

#### **LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE**

During the financial period 2007–2013, the country participated in 11 Union Programmes/Agencies.

Union Programme	First year of participation	Projects implemented 2007 – 2013 Value in EUR	Number of projects/ participants	Entry Ticket 2007 - 2013			
				National co-financing EUR	IPA co-financing EUR	Entry ticket total amount	
1	FP 7 <sup>2</sup>	2007	12,571,925	101	2 181 195	5 073 714	7,254,409
2	CIP_EIP <sup>3</sup>	2007	3 329 593	8	277 216	627 184	904,400
3	CIP_IEE <sup>4</sup>	2011	1 531 018	3	178 638	669 766	848,404
4	PROGRESS	2007	1 014 879	21	360000	1 020000	1,380,000
5	CULTURE	2008	13 506 915	42	153 600	38 400	192,000
6	Europe for Citizens	2009	3,891,608	59	9 000	66 000	75,000
7	Lifelong Learning programme and Youth in Action	2012	3,565,169	349	351 890	2 840 000	3,191,890
8	Centralised measures of the LLL programme	2012	1 171 069		20 700	159 300	180,000
9	Customs 2013	2009	211,121	81	55 724	155 397	211,121
10	Fiscalis 2013	2009	173,521	24	44 905	128 616	173,521
11	Civil Protection Mechanism & Financial Instrument	2012	65,061	/	11 056	54 005	65,061
<b>TOTAL</b>			<b>41,031,879</b>	<b>688</b>	<b>3,643,068</b>	<b>10,832,382</b>	<b>14,475,450</b>

As regards the financial parameters and participation rate, the country was successful in all Union Programmes except PROGRESS, where the amount of the entry ticket covered was higher than the amount received on projects.

In terms of capacity, the participation in the Union programmes provided the country with valuable knowledge and experience on how the EU sectoral policies are implemented, how cross-country and cross-sectors collaborative platforms are established and maintained.

During the current financial period 2014–2020, the country is participating in the Union Programmes and Agencies listed in the table below:

Union Programme	Entry Ticket (EUR)	IPA EUR	National contribution EUR
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<sup>2</sup> 7th Framework Programme for Research and Technological Development

<sup>3</sup> Competitiveness and Innovation Framework Programme -Entrepreneurship and Innovation Programme

<sup>4</sup> Competitiveness and Innovation Framework Programme - Intelligent Energy Europe Programme

<b>HORIZON 2020</b>	22,715,821.00	12,730,504.65	9,985,316.35
<b>COSME - Competitiveness of enterprises and Small and Medium-sized Enterprises</b>	1,320,361.00	858,234.65	462,126.35
<b>Europe for Citizens</b>	105,000.00	73,500.00	31,500.00
<b>Creative Europe - Culture Programme</b>	315,000.00	236,250.00	78,750.00
<b>Creative Europe - Media programme</b>	450,000.00	326,250.00	123,750.00
<b>CUSTOMS 2020</b>	1,105,000.00	549,600.00	555,400.00
<b>FISCALIS 2020</b>	315,000.00	156,800.00	158,200.00
<b>Civil Protection Mechanism &amp; Financial Instrument</b>	211,190.78	127,652.92	83,537.86
<b>ERASMUS +</b>	42,500,000.00	30,550,000.00	11,950,000.00
<b>ERASMUS + External Strand</b>	875,000.00	638,750.00	236,250.00
<b>Programme for Employment and Social Innovation (EaSI) - Progress strand</b>	1,400,000.00	714,000.00	686,000.00
<b>Agency for fundamental rights</b>	690,000.00	568,000.00	122,000.00
<b>TOTAL</b>	<b>72,002,372.78</b>	<b>47,529,542.22</b>	<b>24,472,830.56</b>

While a positive trend in improving the participation in Union Programmes is visible, the country still needs to strengthen the ownership and to adopt proactive approach in supporting the stakeholders benefit more of the Union programmes. Better promotion of the Union Programmes in country, stimulating, activating and preparing the national actors for participation in them, enhancing the existing networks are essential to improve participation rate. Regular yearly analysis show that the beneficiaries lack administrative capacity to prepare applications and ensure contract management. This requires coupling the general information delivery with targeted measures for enhancing the knowledge on particular aspects in the implementation of the Union Programmes i.e. preparation of applications, addressing complex financial and legal aspects, coping with contract management. Participation of small and medium size enterprises remains a key challenge to be addressed through more dynamic and better targeted information and project support measures. The successful participation in Union Programmes requires a high degree of ownership, innovative and well targeted information methods and effective support mechanisms at all stages of Programme implementation.

## **2. DESCRIPTION AND IMPLEMENTATION ARRANGEMENTS**

### **INTERVENTION LOGIC**

#### **General Objective:**

To strengthen exchange between North Macedonia and the EU Member States in the areas of education, culture, civil protection, private sector developments, labour market and employment, taxation, research and technological development (RTD) and others.

#### **Specific objectives:**

- 1: To ensure the participation of North Macedonia in Union Programmes and Agencies.

- 2: To strengthen national capacity for participation in Union Programmes.
- 3: To improve the awareness of the European Union Programmes in the country.

**Outputs:**

- Output 1 (influencing Specific Objective 1):  
Entry tickets for selected Union Programmes paid.
- Output 2 (influencing Specific Objective 2 and 3):  
North Macedonia's beneficiaries participate in projects funded by Union programmes and Agencies.

**Indicators:**

- Number of programmes for which an International Agreement has been concluded. (Target: 12 for the financial framework 2021-2027)
- North Macedonia's participation rates in the different Union Programmes: (Target: 1:1 paid/used for each of programme)
- No of projects prepared and funded involving country participation: (Target: > 500)
- Number of beneficiaries involved in international projects: (Target: 250 institutions / NGOs / companies / natural persons)
- Number of promotion events and measures: (Target: > 50)

**Assumptions and Conditions:**

EU integration remains a government priority, which entails a continuous political commitment to EU accession and provision of sufficient resources to ensure the national co-financing of the country's participation in the Union programmes.

**IMPLEMENTATION ISSUES**

IPA funds of year 2020 co-finance entry tickets / participation fees for year 2021 or in case of front-loading also for years 2022 and 2023.

The implementation of this Action is conditional on whether the EU integration remains a government priority, which entails a continuous political commitment to EU accession and provision of sufficient resources to ensure the national co-financing of the country's participation in the Union Programmes

The participation of the IPA II beneficiary country in Union Programmes and Agencies, including payment by the country of the entry ticket/participation fees, shall follow the specific terms and conditions set out for each programme in the relevant International Agreement.

Co-financing rates from previous participation shall be taken into account, and in line with the principle of increasing North Macedonia's ownership and responsibility, IPA II funding rates shall decrease over the years in real or relative terms.



North Macedonia must provide the co-financing and also the funds necessary for the payment of the total entry ticket, prior to receiving the partial reimbursement from the EU. The reimbursement will be paid as a grant to North Macedonia.

The overall responsibility for management of the country's participation in the Union Programme was entrusted to the NIPAC and the NIPAC office hosted by the Secretariat for European Affairs (SEA). This responsibility includes promotion of the Union Programmes and general consultations to stakeholders on how to participate in the Union Programmes. In addition the NIPAC office will regularly monitor the participation rates and reports on them as well as on co-financing trends in the context of IPA monitoring committees. The NIPAC office will provide once per year a monitoring report to the European Commission covering not only the financial implementation of the entry ticket payment, but also the actual substantial implementation at the level of beneficiaries (responsible Line Ministry) and final beneficiaries (grant beneficiaries) on the achievements of objectives and results.

The IPA Funds Management Department (National Fund) at the Ministry of Finance is responsible for payment and financial management aspect.

Gender equality mainstreaming will be observed by the relevant programmes' managing entities both on the Commission side and on the beneficiary side in accordance with the programme rules for each Union Programme.

#### **COMMUNICATION AND VISIBILITY**

Communication and visibility activities shall be implemented in accordance with the rules of each Union programme. The relevant programme managing entity shall be responsible for monitoring of the visibility activities. The NIPAC office needs to make sure that the national institution participant of the respective Union Programme, establishes direct contacts with the EU Delegation in order to plan and implement together visibility actions linked to the implementation of the respective Union Programme.

### 3. BUDGET BREAKDOWN

The table is indicative in terms of number and type of programmes, amounts and percentage allocations. The calculation of funds is based on the existing programmes and allocations.

	EUR	EUR	%	EUR	%
Horizon 2020	3,970,150.56	1,389,552.70	35%	2,580,597.86	65%
COSME	188,623.00	94,311.50	50%	94,311.50	50%
Europe for citizens	15,000.00	8,250.00	55%	6,750.00	45%
Culture(Creative Europe)	45,000.00	27,000.00	60%	18,000.00	40%
Media (Creative Europe)	75,000.00	45,000.00	60%	30,000.00	40%
Customs	190,000.00	66,500.00	35%	123,500.00	65%
Fiscalis	60,000.00	21,000.00	35%	39,000.00	65%
Civil protection mechanism	32,722.60	14,725.17	45%	17,997.43	55%
Erasmus plus	9,000,000.00	5,400,000.00	60%	3,600,000.00	40%
Programme for Employment and Social Innovation (EaSI) - Progress strand	200,000.00	70,000.00	35%	130,000.00	65%
Erasmus plus external strand	125,000.00	68,750.00	55%	56,250.00	45%
Fundamental Rights Agency	175,000.00	122,500.00	70%	52,500.00	30%
Contingency	723,503.84	72,410.63		651,093.21	
<b>TOTAL for ACTION</b>	<b>14,800,000.00</b>	<b>7,400,000.00</b>		<b>7,400,000.00</b>	

[click twice on the table to open the embedded Excel file]

## ANNEX

### Overview of North Macedonia's public institutions that have signed International Agreements with the European Commission and dates of entry into force or latest amendments to the International Agreements (2014-2020 financial perspective)

Union Programme	Signing of International agreement	Responsible DG & Contact	Line Ministry & Contact
HORIZON 2020	IA Agreement signed 1/7/2014	DG Research and Innovation Tania Friederichs tel +32 2295 7141 <a href="mailto:tania.friederichs@ec.europa.eu">tania.friederichs@ec.europa.eu</a>	Ministry of Education & Science Ms. Marina Nikolovska <a href="mailto:marina.nikolovska@mon.gov.mk">marina.nikolovska@mon.gov.mk</a>
COSME - Competitiveness of enterprizes and Smal and Medium-sized Enterprizes	IA Agreement signed 29/9/2014	DG Internal Market, Industry, Entrepreneurship and SMEs Ms Christiane Cambron Tel.: +32 2 2959673 <a href="mailto:christiane.cambron@ec.europa.eu">christiane.cambron@ec.europa.eu</a>	Ministry of Economy Ms. Ardiana Abazi <a href="mailto:ardiana@economy.gov.mk">ardiana@economy.gov.mk</a>
Europe for Citizens	IA signed 11/12/2014	DG Migration and Home affairs Jutta Koenig-Georgiades, <a href="mailto:Jutta.Koenig-Georgiades@ec.europa.eu">Jutta.Koenig-Georgiades@ec.europa.eu</a>	Ministry of Education & Science Ms.Katerina Gulev <a href="mailto:katerina.gulev@mon.gov.mk">katerina.gulev@mon.gov.mk</a>
Creative Europe - Culture Programme	IA Agreement signed 22/7/2014	DG Education and Culture Ms Corinne Rigaud <a href="mailto:corinne.rigaud@ec.europa.eu">corinne.rigaud@ec.europa.eu</a> +(32) 2 2990523	Ministry of Culture Ms.Biljana Prentoska <a href="mailto:bprentoska@gmail.com">bprentoska@gmail.com</a> ,
Creative Europe - Media programme	IA Agreement signed 24/07/2015 -	DG Communications Networks, Content and Technology, Dag Asbjornsen	Film Agency Mr. Vladimir Stojcevski <a href="mailto:vladimir.stojcevski@gmail.com">vladimir.stojcevski@gmail.com</a>
CUSTOMS 2020	IA Agreement signed 4/8/2014	DG Taxation & Customs Union Damien Cocard & Nancy Peeters <a href="mailto:nancy.peeters@ec.europa.eu">nancy.peeters@ec.europa.eu</a> +32/2/2986/134	Customs Administration Ms. Sladjana Damjanoska, <a href="mailto:Sladjana.damjanoska@customs.gov.mk">Sladjana.damjanoska@customs.gov.mk</a>
FISCALIS 2020	IA Agreement signed 4/8/2014	DG Taxation & Customs Union Damien Cocard & Nancy Peeters <a href="mailto:nancy.peeters@ec.europa.eu">nancy.peeters@ec.europa.eu</a> +32/2/2986/134	Public Revenue Office Mr. Marjan Mihajlovski, <a href="mailto:Marjan.Mihajlovski@ujp.gov.mk">Marjan.Mihajlovski@ujp.gov.mk</a>
Civil Protection Mechanism & Financial Instrument	IA Agreement signed	DG ECHO Biljana Zuber +32 22991804 <a href="mailto:Biljana.ZUBER@ec.europa.eu">Biljana.ZUBER@ec.europa.eu</a>	Protection & Rescue Directorate  Ms. Valentina Atanasovska <a href="mailto:Valentina.Atanasovska@dzs.gov.mk">Valentina.Atanasovska@dzs.gov.mk</a>
ERASMUS +	IA Agreement signed 26/5/2014	DG Education and Culture Marlene Bartes, <a href="mailto:Marlene.BARTES@ec.europa.eu">Marlene.BARTES@ec.europa.eu</a>	Ministry of education and science (responsible for the payment of entry ticket), National Agency for European Educational Programmes and Mobility

			Ms. Lidija Dimova <a href="mailto:lidija.dimova@na.org.mk">lidija.dimova@na.org.mk</a> Goce Velickovski <a href="mailto:goce.velichkovski@na.org.mk">goce.velichkovski@na.org.mk</a>
Programme for Employment and Social Innovation (EaSI) - Progress strand	IA Agreement signed 30/3/2015	DG Employment, Social Affairs and Equal Opportunities, FEDORIW Lidia & WESTPHAL Christiane	Ministry of Labour and Social Policy Ms. Aleksandra Slavkovska <a href="mailto:aslavkovska@mtsp.gov.mk">aslavkovska@mtsp.gov.mk</a> , alternate: Ankica Ivanovski, <a href="mailto:aivanovska@mtsp.gov.mk">aivanovska@mtsp.gov.mk</a>
Agency for fundamental rights	By a written procedure concluded on 12 September 2016, the country obtained the status of an observer		Ministry of Justice (responsible for payment of entry ticket and ensuring data for the participation of the Agency for fundamental rights)  Ms. Tanja Kikerkova <a href="mailto:TKikerekova@mjustice.gov.mk">TKikerekova@mjustice.gov.mk</a> .
Life +			Ministry of environment and physical planning  Mr. Vlatko Trpeski <a href="mailto:trpeski@yahoo.com">trpeski@yahoo.com</a>
European Solidarity Corps	In progress	DG Education, Youth, Sport and Culture, José Díez Verdejo <a href="mailto:jose.diez-verdejo@ec.europa.eu">jose.diez-verdejo@ec.europa.eu</a>	National Agency for European Educational Programmes and Mobility, Snezana Simonovska <a href="mailto:snezana.simonovska@na.org.mk">snezana.simonovska@na.org.mk</a>