## ANNEX I –IPA III Action Fiche

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|  | Indicative title of the Action | **EU INTEGRATION FACILITY** |
|  | Programming year | **2023** |
| CRITERIA FOR RELEVANCE ASSESSMENT | IPA III Window and thematic priorit(y)/(ies) | **WINDOW 2 -GOOD GOVERNANCE, ACQUIS ALIGNMENT, GOOD NEIGHBOURLY RELATIONS AND STRATEGIC COMMUNICATION**  ***Thematic Priority 2: Administrative capacity and acquis alignment***  ***Thematic Priority 4: Strategic communication, monitoring, evaluation, and communication activities*** |
| Links with specific policy instruments of the enlargement process | The EU Integration Facility (EUIF) is established under IPA II as a flexible funding tool, able to mobilise resources quickly to address issues as they arise. This approach will continue with IPA III, while the EUIF will focus more on supporting the accession process since North Macedonia has entered a new accession stage as of March 2020. The EUIF will therefore provide financial assistance for not-programmed activities addressing one of the following objectives:  ***Objective 1: To back-up the accession process in its entirety, to enhance the alignment with the EU acquis and EU/International standards, to ensure the implementation of the legal framework in practice, and to increase the public support for the EU accession process***  The EUIF can provide support for ad hoc projects strengthening the management of the EU accession process and enhancing the alignment of the national legislation with the *EU acquis.*  EU financial assistance can be used for specific and targeted capacity-building measures, helping the national institutions to implement the new harmonised legislation and progress on the fundamental and structural reforms, supporting the country’s accession.  Under this objective, the EUIF may also support North Macedonia to build an adequate response to force majeure events, when needed and in line with the IPA III thematic priorities. EUIF turned very useful in 2015 when the migration crisis hit Europe and in 2020 with the COVID19 pandemic. Other critical situations may arise in the future, demanding swift and targeted actions by the EU to support North Macedonia.  EU assistance can be allocated tomeasures, which will improve the transparency of the accession process and will raise the awareness of the citizens of North Macedonia on the benefits and obligations stemming from the EU accession process.  ***Objective 2: To improve the effectiveness and visibility of the EU funds invested in the country, to upscale the sector approach, and to ensure that EU funding and policy create a sustainable and visible development change.***  The EUIF will support North Macedonia in strengthening the national capacity for management of the EU funds and addressing the requirements of Chapter 22.  EU financial assistance will be used to implement targeted communication and visibility measures and events on various topics related to the use of the EU funds. (According to the 2022 spring opinion poll, conducted in North Macedonia, only 41% of the citizens consider themselves informed about the use of the EU funds, and 35% of the respondents found that EU aid for addressing COVID19 pandemic was either not adequate or not quick).  The Action builds on the requirements set in the 2018 “**A credible enlargement perspective for and enhanced EU engagement with the Western Balkans” (COM (2018)65)** to address reforms in the rule of law, fundamental rights, and good governance.  It also considers the new negotiating methodology, **“Enhancing the accession process - A credible EU perspective for the Western Balkans” (COM(2020)57final)** which aims to increase the effectiveness of the overall accession process and its credibility and, thus, make it more predictable, more credible, and more dynamic. The principles of the new methodology will be translated into the Negotiating Framework for North Macedonia. The methodology introduces clusters of chapters, focusing on the Fundamentals Cluster as the most important for the country’s advancement in the accession negotiations. The Action also considers the announced Economic and Investment Plan in support of the reform processes in the Western Balkan countries towards full-fledged membership including transformation of local economies into fully functional market economies able to fully assume the obligations and integrate in EU’s Single Market.  The country has been implementing the **Stabilization and Association Agreement (SAA)** for over 15 years, has positive track record in implementation and an advanced level of harmonisation. As of 2018, North Macedonia has entered in the second stage of the SAA. The new negotiating methodology further underlines the importance of SAA and its bodies for steering accession negotiations as a platform to ensure stronger monitoring of progress and address aspects of accelerated integration in the respective clusters. |
| Contribution to the IPA III Programming Framework objectives | The Action is designed to contribute to the achievement of the specific objectives of the thematic priorities **2. Administrative capacity and *acquis* alignment,** (to bring beneficiaries’ policies and legislation in line with the EU policies and the acquis, and to build administrative capacity to fully and effectively implement sector policies and building the ability to take on the obligations of membership) **and 4. Strategic communication, monitoring, evaluation and communication activities** (to ensure public support for the EU values, policies and to necessary reforms entailed by the accession process) of the IPA III Programming Framework **Window 2 Good governance, acquis alignment, good neighbourly relations and strategic communication.**  Along with these objectives, the Action provides support for crises that may arise, for instance, climate changes or migration crises, following the practice developed in the financial framework (2014-2020), which proved to be very efficient in delivering ad-hoc, urgent, and much-needed help for the country. |
| Links with national, regional and global strategies | The proposed Action is in line with the following global, regional and national strategies in the field of health reforms:   * The Action is contributing to the objectives of **United Nation’s 2030 Agenda for Sustainable Development**; more specifically, the Action contributes to meeting one of North Macedonia’s priority sustainable development goals - SDG16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels, as well as SDG 8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all. * The Action is designed to support the implementation of the **National Program for adoption of the Acquis (NPAA)** as North Macedonia’s key strategic and programming document aiming to steer the process of European integration by defining priorities, dynamics, and resources necessary for alignment of national legislation with ЕU *acquis*, as well as activities for adjustment of national institutions to European administrative structures. NPAA is revised annually and includes short-term and mid-term priorities. It has recently been restructured to respond to the clustering of chapters under the new methodology and will be basis for the bilateral screenings. It incorporates recommendations of the EC Country Report, SAA obligations, pending Urgent Reform Priorities, recommendations from peer review missions and UN SDGs and other international bodies. The most recent update of NPAA also includes plans for alignment based on the screening lists presented at the explanatory meetings for each chapter.   The Action is in line and directly linked with the reform priorities identified in NPAA as a key strategic document of overall EU related reforms and basis for the bilateral screening. It is a horizontal document which, including but not limited to the above listed sectoral strategies:   * Public Administration Reform Strategy (PAR). * Justice Reform Strategy. * State Program for prevention and suppression of corruption and conflict of interests. * Strategy for ICT in Judiciary 2019-2024. * National Strategy for Reform of Penitentiary System. * Police Reform Strategy. * Strategy for fight against human trafficking and illegal migration. * National Strategy for Counter Terrorism. * National Strategy for Countering Violent Extremism. * Strategy for Financial Investigations. * Economic Reform Program (ERP). * Public Finance Management Strategy. * Government Communication Strategy. * Transparency Strategy. * Open Government Partnership National Action Plan. * NPAA is aligned with the **Government Annual Work Plan**, the **Economic Reform Programme (ERP)** and other national sectoral strategies. Efficient NPAA coordination, monitoring and reporting mechanism has been set. * The Action also considers the **Economic Reform Program (ERP)** and the joint conclusions adopted in the frame of the Economic and Financial Dialogue with EU. The European Commission's assessment of the ERP 2020 – 2022 states that the country has achieved 46.7% implementation of the jointly adopted country-specific policy guidance at the Economic and Financial Dialogue in May 2019 and has best performance in comparison to other candidate and potential candidate countries in the Western Balkans.   The EU Council in March 2020 adopted decision for start of accession negotiations with North Macedonia. Given the new methodology, it will be crucial to provide systematic, targeted and streamlined assistance to the negotiation structures, with emphasis on chapters from Fundamentals Cluster as well as other selected linked chapters from other clusters. This Action is also designed to address potential alignment gaps in other IPA III Action fiches or additionally identified priority intervention areas arising from bilateral screening reports. |
| Coherence with the Sector Approach | The Action will support all sectors, windows, and thematic priorities. All Sector Working Groups (SWGs) will be involved in the implementation of this Action taking into consideration the crosscutting aspects of the negotiation process, the *acquis* related issues and the communication to the general public on the different impacts of the EU integration. Thus, the Action will contribute to improving the relevant strategic framework in all sectors and serve as platform of discussion and debate of the legal implications of the negotiation process, including the donors and civil society organisations.  Linked with IPA 3 Window 2 TP 1 but is closely linked to priorities under W1 and W4  Linked with sector working groups on Rule of Law (Justice and Home Affairs), Democracy and Governance (PAR and PFM), Education, Employment and Social Affairs, and Roma. |
| Regional dimension | Not applicable |
| Indicative budget (in EUR) | | Total: EUR 15 million[[1]](#footnote-1)  EU funding: EUR 15 million  National co-financing: EUR 0 million |
| Implementation Modality | | Direct Management |
| Budget Support Readiness (only in the action is implemented through Budget Support) | | Not applicable |

**LOGICAL FRAMEWORK MATRIX**

| **Results** | **Results chain: Main expected results** | **Indicators** | **Baselines**  [values and years] | **Target**  [values and years] | **Sources of data** | **Assumptions** |
| --- | --- | --- | --- | --- | --- | --- |
| **Impact** | To enhance the EU accession process of North Macedonia | Progress made in the EU accession process | Decision to open accession negotiations (2020) | Further progress in the EU accession path (2027) | Report of the European Commission; decisions by the Member States; |  |
| **Outcome 1** | Accession process backed-up in its entirety (enhanced alignment with the *EU acquis* and EU/International standards, improved implementation of the legal framework in practice, and increased public support for the EU accession process) | Number of open/closed chapters/clusters | 0 (2020) | Higher number (2027) | Commission’s reports; decision by Member States | EU integration remains a government priority, which entails a continuous high-level political commitment to EU accession, support for the reforms and active participation in the sector policy dialogue |
| Societal support for the accession process/ Eurobarometer / Positive attitude | 52% (11/2019) | > 80% (2027) | Eurobarometer |
| **Outcome 2** | Improved effectiveness and visibility of the EU funds invested in the country (sector approach up scaled, EU funding and policy created a sustainable and visible development change) | Level of absorption of EU funds:  IPA II   * Programming rate / value * Contracting rate * Disbursement rate | IPA II  - 104% (MEUR 633)  - 26% (end 2019)  - 12% (end 2019) | No change  95% (2026)  85% (2026) | Commission report on implementation of IPA  Annual IPA Report  Financing agreement |
| Level of absorption of EU funds:  IPA III  - Value of programmed funds  - Contracting rate  - Disbursement rate | IPA III (2020)  MEUR 200  0%  0% | IPA III (2027)  > MEUR 600  100%  90% |
| **Output 1**  **related to Outcome 1** | Strengthened management of the accession process; | Number of adopted key documents | 0 (2020) | >15 | Government legislative agenda reports | Strong support for the accession to the European Union on behalf of the public administration, authorities, civil society, media and business. |
| Number of prepared guidelines, instructions, rules of procedure and unified methodology tools for effective coordination | 0 (2020) | >50 | Project report | The fundamental reforms (such as Public Finance Management, Public Administration Reform, Judiciary) are well progressing and create a favourable environment for the alignment with the *acquis* and the implementation in practice of the new legislation.  Macroeconomic and political stability is maintained. |
| Number of civil servants and other participants in negotiation structures trained | 0 (2020) | > 5000 (2027) | Project report |
| E-Accession IT tools developed and operational:  - Software for translated national and translated *EU acquis*;  - E-learning software on various EU topics) – number of logs | 0 (2020)  0 (2020) | 1  >10,000/year | e-Accession on-line |
| **Output 2 related to Outcome 1** | Increased level of alignment of the national legislation with the *EU acquis* | Number of adopted laws ensuring the harmonisation with the *acquis* | 0 (2020) | > 180 laws (2027) | NPAA monitoring reports |
| **Output 3**  **related to Outcome 1** | Improved capacity of the national institutions to implement the aligned legislation and progress on the fundamental and structural reforms in support of the country’s accession | Number of people trained on the new laws | 0 (2020) | 20 000 (2027) | NPAA monitoring reports |
| Number of institutions with enhanced administrative capacity to implement the harmonised legislation | 0 (2020) | > 300 (2027) | NPAA monitoring reports |
| **Output 4 related to Outcome 1** | Increased support of the citizens of North Macedonia on the country’s accession to EU | Number of stakeholders reached through the implementation of the communication strategy | 0 (2020) | >300,000/year | Project report  Media |
| Number of EU-specific spokespersons in national institutions trained | 0 (2020) | 50 (2027) |
| Number of journalists on EU affairs trained | 0 (2020) | > 100 (2027) |
| Number of outreach events and communication products produced | 5 (2020) | > 500 (2027) |
| Number of entities involved in communication activities on EU accession | TBD | >200 (2027) |
| **Output 1 related to Outcome 2** | Strengthened national capacity for management of the EU funds | IPA III - Value of funds under indirect management | 0% (2020) | >50% (2027) | Financing Agreement |
| Financial management and control systems operate smoothly (number of critical audit findings) | AA: 10  EC: 5 | Max  AA: 5  EC: 1 | Audit authority report  Commission report |
| **Output 2 related to Outcome 2** | Improved awareness of the citizens of North Macedonia on the country’s accession to EU | Number of stakeholders reached through the visibility measures and events on various topics related to the use of EU funds | 0 (2020) | >300,000/year | Project reports |
| Number of outreach events and communication products produced | 5 (2020) | >500 (2027) | Media |

1. This huge EUIF envelope for 2023 will offset the last minute cut of the EUIF 2022 due to budget shortage. [↑](#footnote-ref-1)