



Republic of North Macedonia

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**Ministry of Defence**

**Integrity Plan 2021-2024**

Skopje, August 2021

This integrity plan was drafted by the Working Group for Integrity Plan Development of the Ministry of Defence of the Republic of North Macedonia, with the technical assistance provided by the Centre for Integrity in the Defence Sector, Norway (CIDS). The drafting of the integrity plan, which happened in the period from November 2020 to March 2021, and followed up by consultation with government and civil society stakeholders, was part of the activities organized in the framework of the technical assistance provided by CIDS in the period of 2020-2025 aimed at building integrity at the Ministry of Defence of the Republic of North Macedonia.

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## Table of Contents

Preface by the Minister of Defence.....	5
Abbreviations .....	6
Introduction .....	7
The brief results of the Integrity Plan 2016-2019 .....	8
Aim and Vision .....	9
Methodology .....	9
Strategic objectives 2021-2024 .....	9
Integrity Risks .....	10
1. Human Resources Management.....	10
2. Conflicts of interest .....	13
3. International missions and operations .....	15
4. Public Procurement .....	16
5. Asset Management .....	18
6. Internal Control .....	19
Information on the system of oversight for implementation of the Integrity Plan 2021-2024	20
Matrix of Activities for implementation of the Integrity Plan 2021-2024.....	21
Matrix for monitoring the implementation of activities of the Integrity Plan 2021-2024 .....	32

## Preface by the Minister of Defence

With a view to guaranteeing peace, defence must guarantee integrity in its operation.

Integrity is the best tool for building effective institutions and a precondition for an efficient use of defence resources.

In the past four years, the Ministry of Defence has made a tremendous shift in the transparency and integrity of its work. The culture of secrecy usually inherent to the defence sector, is no longer an excuse for the nontransparent and unethical work.

Last year, Transparency International ranked the Republic of North Macedonia second in Central and Eastern Europe, according to the TI Government Integrity Index. Furthermore, for two years in a row, the Center for Civil Communications assesses the Ministry of Defence as the most transparent institution in the country. This is an improvement by as many as 40 positions compared to 2017.

The results we have achieved prove our commitment and strong determination, but we won't stop here. We have identified areas that can be further improved and we proceed with the good work. Procurement, human resource management and asset management shall remain in the focus. We will as well pay special attention to the participation in international missions and operations, internal control mechanisms, whistleblower protection and prevention of conflicts of interest.

This second Integrity Plan 2021-2024 is yet another decisive step in establishing a resilient and transparent defence sector, ready to respond to the emerging security challenges. It also contributes to the anti-corruption efforts of the Government of the Republic of North Macedonia, to meeting our NATO membership obligations and to our strategic goal for EU accession.

Extending our sincere gratitude to the Centre for Integrity in the Defence Sector of the Kingdom of Norway for its selfless support in developing this Plan, as well as to the civil society organizations for their important contribution, we reaffirm strong commitment in fulfilling the obligations we have taken on.

## Abbreviations

AA	Administration Agency
BI	Building Integrity
CIDS	Centre for Integrity in the Defence Sector, Norway
DHR	Department of Human Resources
DL	Department of Logistics
DPP	Department of Policy and Planning
EU	European Union
G2G	Government to Government
HRM	Human resources management
DIA	Department of Internal Audit
DI	Department of Inspectorate
MISA	Ministry of Information Society and Administration
MoD	Ministry of Defence of the Republic of North Macedonia
MSSI	Military Service for Security and Intelligence
NATO	North Atlantic Treaty Organisation
OECD	Organisation for Economic Cooperation and Development
PIFC	Public Internal Financial Control
TI GDI	Transparency International Government Defence Integrity Index
UN	United Nations

## Introduction

Building integrity is an important aspect of functioning of the democracies. Continuous enhancement of integrity structures and practices is a significant pillar of the rule of law. Any corruption and integrity risk can undermine the public trust in democratic institutions. The defence sector is not an exception to this. The size of defence staff, secrecy culture inherent in the work of the defence, and significant public money spent for purchase of defence supplies are among the factors that make the defence sector susceptible to corruption risks.

The Government of the Republic of North Macedonia maintains a strong commitment to the prevention and fight against corruption. Tremendous reforms in this respect happened in both domestic and foreign policy of the country particularly in the period of 2017-2018, that brought major transformation of the country from the perspective of the fight against the corruption. In this direction, a lot of efforts have been invested to build back functional institutions in the critical areas such as rule of law, transparency, accountability and integrity. Substantial progress was made with the functioning of the State Commission for Prevention of Corruption, the principle body of North Macedonia in the fight against corruption. In this framework, the Law on Prevention of Corruption and Conflict of Interests and the National Strategy for Prevention of Corruption and Conflict of Interests 2021-2025 have guided the efforts of the national authorities in building integrity and preventing corruption.

The Ministry of Defence (MoD) on its part has committed immense efforts to corruption prevention and building integrity. Great progress was achieved in public procurement, where the adoption of the new legislative and by-laws contributed to an enhanced procurement system with well-defined procedures. In addition, all relevant strategic documents were updated, providing framework and guidance for transparent defence planning harmonized with NATO planning and standards. The new frameworks have also provided a roadmap for efficient human resources management and for efficient management of defence resources. A series of tailored building integrity trainings organized for the staff of the MoD and for its senior leadership contributed to an enhanced integrity culture that was further reinforced with the development of a pool of building integrity trainers from the personnel of the MoD and the Army. A series of documents, including the defence budget, the public procurement plan, relevant legislation, and information of interest to the public were published on the website of the MoD for the first time, demonstrating a clear commitment to active transparency, that in turn transformed the MoD from being assessed formerly as the most closed public institution in the country, to be ranked as the most transparent public institution in North Macedonia according to the Central for Civil Communications Active Transparency Index and to be ranked as the second most transparent defence ministry in Central and Eastern Europe according to Transparency International Government Defence Integrity Index (TI GDI).

The importance of tackling corruption remains a crucial benchmark for the country's credibility as the NATO's newest member and as a prospective member of the EU. The NATO alliance is a community of values committed to the principles of individual liberty, democracy, human rights and the rule of law. As a NATO member since 2020, North Macedonia has vowed to promote and safeguard these basic principles. The development of a plan to building integrity and reducing corruption risks in the defence sector is an important pillar in having an efficient and transparent MoD and an Army that promote democracy and the rule of law.

The Integrity Plan (2021-2024) (hereinafter referred as “the Plan”) is the principled document of the MoD and the Army in contributing to the prevention and fight against potential corruption risks in the institution. The Plan is the second generational plan, following the first generational plan of 2016-2019, which was the first ever integrity plan of the defence sector of North Macedonia.

The Plan has sectoral focus with more varied approaches on tackling the corruption. It is contextual and it is relevant to the strategic priorities of the defence sector of North Macedonia arising from the membership in NATO and obligations arising from the anti-corruption efforts of the country in its accession process to the EU. The Plan is expected to operate as a supportive mechanism via its activities, providing a whole series of inputs of the defence sector to obligations arising from national and international obligations.

The Plan is expected to generate new mechanisms, practices, capacities and skills to the MoD and the Army to deliver on the mandates as set in the anti-corruption laws, codes of ethics, relevant policies and procedures that provide protection of the integrity of the defence institutions and all their employees, strategies and reform priorities of North Macedonia. The Plan is also expected to contribute to the MoD and the Army to implement innovative and reform-oriented initiatives. It establishes a platform for peer learning and for cooperation among various units within the MoD and the Army on sensitive integrity themes. The Plan enables the MoD and the Army to show effectiveness in responding to the emerging developments in North Macedonia and wider as far as it concerns the integrity and anti-corruption agenda.

Considering the importance of the Plan thereof, the MoD will employ a monitoring mechanism to measure progress with the implementation of the Plan. There will also be a separate matrix with the purpose of monitoring the implementation of the plan, which is part of this document. The Plan will also include complementary activities that are aimed at increasing monitoring capacities of the defence sector that should serve the purpose.

### **The brief results of the Integrity Plan 2016-2019**

Based on separate assessment conducted in the period of December 2020 – January 2021, it was found that Integrity Plan 2016-2019 delivered on majority of activities as planned and that achievements were done in delivering outputs as envisaged in the Integrity Plan 2016-2019. It was found that by achieving the majority of the planned outputs, it contributed to the achievement of its vision and goals. Overall, its contribution to anti-corruption and integrity efforts in the defence sector of North Macedonia was deemed to be relevant, achieved with effectiveness and efficiency and resulting in positive impact on the ground with potential for sustainability. However, the Integrity Plan 2016-2019 also encountered challenges as regards the implementation of some of the activities. It had limited outreach internally and externally in energizing the debates on integrity. The transparency, monitoring and oversight of the Integrity Plan 2016-2019 were of limited scale.

Nevertheless, the Integrity Plan 2016-2019 succeeded to be a platform for the formulation and implementation of some of legislation, mechanisms and practices in the field of the integrity within the MoD and the Army. It improved capacity and skills of personnel and of respective departments of the MoD and the sections of the Army. The Integrity Plan 2016-2019 with its activities and outputs, including legislation, strategies, training and awareness rising events contributed to increasing the visibility of corruption as a problem within the defence sector. Corruption has progressed from being treated like a taboo to being as one of the challenges facing the defence sector. References to corruption and integrity have increased in the visibility activities of the MoD and the Army. In that sense, the Plan contributed, directly and indirectly, to the advancement of anti-corruption agenda in the defence sector of North Macedonia and has the potential as a platform to continue to play an important role in the future.

## **Aim and Vision**

The aim of the Integrity Plan 2021-2024 is “to further enhance the integrity and anti-corruption culture in the MoD and the Army” and its vision is a “transparent and resilient defence sector”. This aim and vision are intended to be achieved by implementation of the activities as set in this Plan.

## **Methodology**

The MoD, with the technical assistance of the Centre for Integrity in the Defence Sector, Norway (CIDS), in October 2020 launched an activity on the “Design of a new Integrity Plan 2021-2024” and a Working Group composed of the staff of the MoD and the Army was established for this purpose.

The Plan is delivered thus as part of the activities organized jointly by the MoD and the CIDS in the framework of the technical assistance provided by the CIDS to the MoD and aimed at building integrity at the MoD in the period of 2020-2025. The cooperation is geared towards addressing the identified needs and to support the MoD in its plans and reform efforts to further enhance integrity structures and practices in the defence sector.

The Plan was compiled based on the “Methodology on the design of the new Integrity Plan of the Ministry of Defence and the Army of North Macedonia 2021-2024”, co-developed by the CIDS and the MoD in January 2021.

In order to consider important elements in the development of an integrity plan, the “Seminar on Design of an Integrity Plan in the defence sector of North Macedonia”, was held on 20 November 2020 over a VTC platform, under the co-organization of the CIDS and the MoD. The Seminar was attended by the staff of the MoD and of the CIDS and included speeches and presentations by officials and experts of the MoD and of the CIDS focusing on lessons learned from the former integrity plans in North Macedonia and in other countries of the western Balkans and on best practices in the field of the design of the second generational integrity plans.

As envisaged in the Methodology, the design of the plan was composed of various phases. Following compilation of documents important in considering when drafting the plan and their review, the drafting of the introduction parts of the plan occurred. What followed then was the conduct of corruption and integrity risk assessment in the specific sectors of the defence. The next step was the design of activities and their monitoring – Matrix for activities and Matrix for monitoring the implementation of the activities. Following the completion of the writing of the plan, a consultation with internal and external stakeholders was launched. The design of the plan was completed with its formal adoption by the MoD as a publicly available document.

## **Strategic objectives 2021-2024**

The Plan sets six goals as a result of the process of drafting and consultations held for the purposes of this Plan, combined with previous experiences and contemporary international practices. The Plan lists six achievable objectives that provide a comprehensive coverage of important areas in building integrity, which if implemented together, should provide for improved and advanced integrity system and culture within the defence sector of North Macedonia. This way, the Plan

ensures the inclusion of the concept of integrity within major aspects of the work of the MoD and the Army.

The strategic objectives of the Integrity Plan 2021-2024 include the following:

1. Improving effectiveness of the human resource management system;
2. Prevention of conflicts of interest;
3. Advancing the integrity agenda in international missions and operations
4. Advancing the procurement and acquisition system;
5. Improving the system of assets management;
6. Strengthening internal control mechanisms; and

The six strategic objectives are built upon and aligned with the principles and objectives of the national anti-corruption legislation, the National Strategy for Prevention of Corruption and Conflict of Interests 2021-2025, NATO Building Integrity Policy with the respective Action Plan, TI GDI, and other relevant national and international policies on transparency, good governance and integrity in the defence sector.

## **Corruption and Integrity Risks**

### **1. Human Resources Management**

Human resources management (HRM) arrangements significantly influence the efficiency of the defence system and the role that the defence personnel play in protection of constitutional values, general interests and the defence of a state. Potential conflict between loyalty to the government of the day and loyalty to constitutional obligations, may place civilian and military personnel in difficult position and negatively affect impartiality. In addition, in a strictly established hierarchy that naturally underpins the functioning of the defence sector, the schemes of clientelism, nepotism, personal connections and patronage, significantly affect and have the potential to become a key risk factor for career advancement or demotion. Therefore, a merit-based system of recruitment and promotion is critical in maintaining the integrity of the defence personnel and in ensuring the efficiency of the defence system.

#### *Current state of affairs*

Personnel Risk according to 2020 TI GDI in the defence sector of the Republic of North Macedonia is low. Nevertheless, there is room for further improvement, particularly in respect to the effectiveness of the whistle-blowing mechanisms, oversight of personnel in sensitive positions, scrutiny of the system of promotions, and integrity trainings. Leadership commitment, salary chains, regulations dealing with bribery and facilitation payments were considered by TI GDI as appropriate and with a very low risk of corruption.

The current legislative framework regulating the civil service enacted in 2014 consists of the Law on Administrative Servants and the Law on Public Sector Employees. The “administrative servants” is the overarching name of the civil servants in the public administration of North Macedonia. The Army staff, including military and civilian personnel, is regulated by the Law on Service in the Army, general labour law provisions and Collective bargaining agreement. The 2014 Code of Ethics for administrative servants and the 2017 Code of Ethics of the employees of the MoD and of the Army, detail the rules of behaviour of the civil servants and of other employees in the defence sector.

The political will to embark on human resource-related reforms in public service is in place. A comprehensive 2018-2022 public administration reform strategy (“Public Administration 2020”)

is developed and a high-level Public Administration Reform Council to ensure political support and strategic guidance for the reforms is established. The MoD, on its part, has developed its own human resource strategies, including the Strategy for Human Resource Management in Defence (2019); the Strategy for education and training in defence (2006); and Strategy for recruitment of quality personnel (2007). However, fragmentation of the civil service with several parallel subsystems in the public administration persists. The fragmentation is seen in particular in the tendency for continuation of number of exceptions from general civil service rules. For example, the Law on Public Sector Employees provides for some staff of the MoD to be considered as “authorised officers in the Ministry of Defence”. Also, a number of exceptions allow some categories of staff to be partially or totally regulated by special laws or general labour law and collective bargaining. This tendency has reduced the opportunities for coordination and mobility. This has resulted in inconsistencies for human resource management policies throughout the public service, but also within the defence sector. In addition, the administrative servants in the MoD are largely underpaid in comparison to their military colleagues when performing similar staff positions, which negatively affects moral and increases risk of corrupt behaviour.

The oversight over the implementation of the civil service legislation is performed by the Administration Agency (AA) and the Ministry of Information Society and Administration (MISA). The AA, responsible to Parliament, supports the implementation of the civil service legislation. The managerial and operational responsibility for the overall human resources in the public sector is under the responsibility of the MISA.

The MISA is in charge of providing real-time data on the entire public service and for this purpose keeps a public sector employees registry, including for the staff of the MoD and of the Army. According to the Register of the Public Sector Employees, maintained by the MISA, the total number of public employees in North Macedonia’s public administration is estimated to be around 132,900 (2019). The number of personnel of the MoD is 798 (2021), while the number of personnel of the Army amounts to 7,069 (2021). Thus, in total, the number of people working for the defence sector of North Macedonia amounts to 7,867 (2021). The Army maintains its own detailed register for military staff members. However, it is not publicly available.

Open competition is mandatory for administrative servants, and principles such as merit-based recruitment, equal access, equal conditions and equitable representation are specified in the law. There is also a clear distinction between political and civil service positions in the MoD. The highest positions that are considered political are reserved for appointment by the Government. The rest are considered as expert and administrative positions that are governed by civil service legislation. The process of recruitment of non-senior civil servants is formally based on merit. However, the discretion rights of the authorities towards the end of the recruitment process, negatively affects the trust in the fairness of the recruitment and selection process. International organisations that have closely followed the developments with regards to public administration in North Macedonia, including the European Union (EU) and SIGMA initiative of the Organisation for Economic Cooperation and Development (OECD), have raised their concerns for lack of application of merit-based principle in the public service. The EU’s Senior Experts’ Group on systemic Rule of Law issues, established in 2015 to follow the developments in North Macedonia, called on the authorities that the appointments and promotions in public service be based on qualification and merit.

As regards the admission of persons into the Army, open competition is the principle, but the other provisions of the Law on Service in the Army governing the requirements which should be met for the admission to service in the Army, do not ensure full adherence to the merit principle.

The promotion system within the civil service is confined mainly to the system of vertical promotion (to a higher post) and is dependent on two factors: a) striking a match between the needs of the institution and the availability of the suitable vacant post in the systematisation rulebook; b) receiving an approval from the Ministry of Finance that the funds are available to support the promotion. Also, the politicization of the processes of promotion is considered to be an important weakness. For the promotion of the military personnel, although in principle the rules are in place, the promotion conditions are not sufficiently specified or they remain imprecise.

The systematisation of the work posts and the job descriptions are classified, including for civil servants of the MoD. This makes analysis and review of the efficiency of allocation of job responsibilities difficult. In the absence of transparency of the job descriptions, it is not easy to understand whether the people are doing what they are supposed to do and whether what they do, is written in their job descriptions. In this framework, enhanced transparency and then improvement of the quality and relevance of job descriptions remains a priority in order to ensure that the MoD has relevant and up-to-date job descriptions.

There are no special procedures for selection, timing in post, and oversight of personnel in sensitive positions, especially officials engaged in procurement, acquisition, and financial management. General rules apply to these positions as well.

The performance appraisal for the civil service is established. Practice shows however, that this ambitious performance appraisal system has not been easy to manage and when combined with a lack of managerial capacity, establishes risks of unfair use. As regards the military service, the framework pertaining to performance appraisal allows for certain discretionary powers in the implementation of the performance appraisal system.

Although the legislation is in place regulating most of the aspects of the human resource management rules in the defence sector, it is estimated that the court cases involving the MoD and its current/former employees is high and has seen an increasing trend, pointing to the need on analysing the way how the case law affects the human resource management rules within the defence sector.

According to the annual reports of the MISA and the AA among many challenges faced in the public service of North Macedonia as regards the human resource management policies include: imprecise and unclear provisions of the civil service legislation affecting the work of the candidate selection commissions and of the Commission for deciding on appeals and complaints of the administrative officials in the second instance; collision and contradictions between the civil service legislation and the special laws and the collective agreements; often members of the selections commission are not trained sufficiently to conduct selection of candidates; lack of cooperation among institutions as regards the flow of information needed for deciding on appeals; lack of analyses based on reviews of the decisions made regarding the recruitment or appeal; lack of unitary system for selection of candidates for the whole public sector; limited number of applications made to the vacancies published; limited availability of criteria for the selection of best candidates; no explanations provided by the selections commissions for the decisions made, etc.

*Benchmark set for the sector:*

“Enhanced efficiency of the Human Resource Management System”

## 2. Conflicts of interest

The conflicts of interest policies are important instruments for building integrity. Defence officials are expected to make decisions and act for the public good without consideration of their private interests. Inadequately managed conflicts of interest have the potential of weakening citizens' trust in public institutions. In itself a conflicts of interest is not corruption but has the potential for corrupt conduct, and if left unresolved, may ultimately result in corrupt conduct.

### *Current state of affairs*

The concept of conflicts of interest in North Macedonia's administration is regulated in the 2019 Law on Prevention of Corruption and Conflict of Interests. The law offers reasonable legislative safeguards against conflicts of interest. Besides it, other laws and regulations also regulate the aspects of conflicts of interest in the public service. The Code of Ethics for employees in the MoD and the Army of 2017 underlines that the employees should be neutral in their work and that they should avoid conflicts of interest when making decisions or when performing their duties. However, the area of conflicts of interest remains unregulated in the statutory laws of defence of North Macedonia. More specifically, the Law on Defence and the Army Service Law do not give any mention to and do not address the aspects of conflicts of interest.

The public officials are obliged to submit statements to State Commission for Prevention of Corruption related to personal and their family assets and interests. The MoD is also covered by this legislation. Public officials of the MoD, i.e. Minister, Deputy Minister and Secretary of State are obliged to submit statements of assets and of interests to the SCPC. No army official is required to provide statements of assets and of interests. Nevertheless, the State Commission for Prevention of Corruption can introduce such requirements in respect of positions that are vulnerable to conflicts of interest and corruption.

The conflicts of interest legislation imposes restrictions on public officials and their family members in holding property titles in private companies. They apply to the whole public service and including to the MoD. The Defence Law and the Army Service Law do not give any mention to and do not address the aspects of holding property titles in private companies.

The conflicts of interest legislation imposes restrictions and control on concurrent external employment for public officials. They apply to the whole public service and including to the MoD. A public official with the MoD such as the Minister, Deputy Minister and Secretary of State cannot conduct any other function, duty or activity. Normally, the armed personnel or members of the Army according to the Law on Service in the Army cannot take up additional work during military service. However, the Law on Service in the Army and the Law on Defence do not specifically address the aspects of concurrent employment. For other civil or administrative servants and public sector employees, concurrent employment is regulated by the Labour Relations Law. The Labour Relations Law limits secondary employment to a maximum of 10 hours per week for all employees, including civil or administrative servants and public sector employees.

The public official in her/his work according to the legislation is obliged to be cautious of potential conflicts of interest and to undertake measures for its avoidance. General rules regarding withdrawal and abstention in decision-making apply also to the public officials employed in the MoD. The aspects of withdrawal and abstention in decision-making are not regulated by the legislation for other civil servants and army officers in the MoD and the Army. For other civil or administrative servants and public sector employees, the aspects of withdrawal and abstention in decision-making are not regulated in the legislation.

The law prohibits the public official to receive any gifts while performing public duties, with the exception that it can be obtained gifts such as books, souvenirs or similar objects whose value does not go beyond €100. All gifts received are to be reported to and registered by the body where the person concerned performs his/her official functions. As regards the civil or administrative servants and public sector employees, the civil service legislation sanctions the receipt of gifts or other benefits, and defines it as disciplinary violation. The civil servants and public sector employees must not accept gifts related to their work except protocol and occasional gifts of a low value 1,000 denars or of a total value of 3,000 denars per year received by the same person is deemed low value gifts. For the army officers, reception of gifts or other benefits constitute a disciplinary offence.

A public official, within a time period of three years after the termination of the post is prohibited in getting employment in a company where she/he performed supervision or had established a contractual relationship whilst performing the public duties. The Law on Lobbying prohibits functionaries from lobbying until one year after they have ceased receiving a salary. Rules regarding employment after leaving office apply also to the public officials employed in the MoD. For the army officers, there are no restrictions established for their post-employment careers. As regards the civil or administrative servants and public sector employees, there are no rules in place that concern their employment after leaving the public sector job.

The MoD has published on its webpage a telephone number and e-mail account for reporting allegations of bribe and corruption and a separate line for whistle-blowers. Information submitted using the telephone or through email is recorded as classified and submitted to the head of the inspectorate sector, i.e. the Chief Inspector of the MoD who handles reports of suspicions of undue behaviour, including conflicts of interest situations.

The main cause of breaches of the conflicts of interest legislation relates to limited understanding of the provisions of the conflicts of interest legislation. Thus, the management of situations of conflicts of interest need to be complemented with practical guidance and practical measures for their implementation, such as dedicated training, counselling and awareness-raising.

The anti-corruption and conflicts of interest agenda is also related to the whistle-blowers. In North Macedonia, the term whistle-blower was mentioned often in 2015. During the year 2015 a large quantity of audio tapes, obtained through wiretapping of telephone conversations, were released to the public. The wiretapping material was leaked to the public by whistle-blowers within the police intelligence service, and the police officers that leaked the material de facto became whistle-blowers. In these circumstances, in 2015 the Law on the Protection of Whistle-blowers was enacted. Thus, the legislation is in place that specifically refers to protection of public sector employees that report or disclose information on corruption or conflicts of interest. Also, the Law on Prevention of Corruption and Conflict of Interests calls on people to report illegal and corruptive behaviour. The Law on Public Sector Employees provides protection for public sector employees in case they report illegal behaviour. However, the Law on Administrative Servants does not refer to the aspects of whistle-blowing or on reporting corruptive or illegal behaviour and acts. Also, the Code of ethics for administrative servants (2014) and the Code of ethics for the employees of the MoD and of the Army (2017) do not include provisions that would encourage the civil servants and other public employees to report corruptive and illegal acts. Nevertheless, the whistle-blowers legislation is expected to contribute to reinvigorating interest of citizens and civil servants in denouncing corruption and conflicts of interest.

The whistle-blowers legislation recognizes all three types of protected disclosure: internal, external and public. Protection to whistle-blower is provided by the institution with which the disclosure has been made. Each institution according to the legislation is supposed to appoint persons

responsible for receiving reports from whistle-blowers. The MoD has done so and the unit responsible for receiving reports is the Inspectorate Sector. Nevertheless, the number of reports in the MoD is very low. There should be a bigger awareness rising initiatives for the people to know exactly what it means to be a whistle-blower and how you are protected if you are a whistle-blower.

*Benchmark set for the sector:*

“Improved mechanisms for the protection of whistle-blowing and for prevention of conflicts of interest”

### **3. International missions and operations**

For North Macedonia, the defence is not only the protection of the country’s borders, but also the defence of the community of the countries that are members of the defence alliance of NATO, to which North Macedonia joined in 2020. It strives to contribute to securing lasting peace in the Euro-Atlantic area, based on common values of individual liberty, democracy, human rights and the rule of law.

*Current state of affairs*

Starting the early years of this century, North Macedonia has been an active contributor to NATO, EU and the United Nations (UN) missions and operations. In 2021, the Army has been participating in the following missions and operations: NATO-led Resolute Support in Afghanistan, and KFOR in Kosovo, EU-led Althea in Bosnia and Herzegovina and European Union Training Mission in the Central African Republic, as well as the United Nations Interim Force in Lebanon.

Although the Army has taken part in the international missions and operations mostly in the framework of other nations’ missions, still risks related to integrity, ethics, corruption and conflicts of interest do occur also during the conduct of these missions. Any integrity risk can negatively affect the role and contribution of North Macedonia to international peace and security through these international missions and operations.

The 2019 Public Procurements Law in the Area of Defence and Security regulates aspects of procurement during the participation in the international missions and operations. In this direction, building integrity and accountability skills and capacities of the personnel participating in the international missions and operations can contribute positively to the effectiveness of the deployed forces. In the 2016-2019 Integrity Plan, the MoD recognised corruption as a strategic issue on military operations. In addition, TI GDI rated operational risk high and suggested risk mitigation measures primarily through training, education and lessons learned. Thus, it remains important to integrate corruption related risks into the planning for operations and to devise strategies for training of the personnel in these fields. The corruption-related training to troops and commanders ahead of deployments on international missions and operations has become an important international practice. In addition, the policies defining the participation in international missions will need to identify the corruption risks as a strategic issue and provide for mitigation strategies to counter the risks.

*Benchmark set for the sector:*

“Improved safeguards for prevention of corruption in international missions and operations”

## 4. Public Procurement

Arrangements for public procurement are vital to building integrity in the defence sector. Undoubtedly, public procurement is the activity of the defence sector that is most vulnerable to corruption given the huge volume of transactions. Deficient arrangements for public procurement can diminish public confidence in the competitive process. The procurement process will only result in lower prices and better quality when companies can compete transparently. Commitment of the procurement legislation, including of the internal procurement procedures, to the protection of integrity and prevention of risks of corruption, and their enforcement, are important part of the process of building integrity in the field of public and defence procurement. However, it is important to understand that even with the legal preconditions and anticorruption measures, not much is going to be achieved if at the same time procurement officers and others involved in procurement cycle do not have required capacities and skills, and employed based on their professional skills. Public procurement risk in defence procurements of North Macedonia has been characterised as low by TI GDI in 2020. Nevertheless an enhanced organisational structure and institutional capacity can further increase integrity and transparency in public procurement”

### *Current state of affairs*

The legal framework in the area of public procurement is governed by the 2019 Public Procurement Law. There is also separate law that regulates the public procurement in the security and defence sector of the country that is titled as the Public Procurement Law in the Area of Defence and Security (2019). The procurement contracts by the MoD, as the sole contractor on behalf of the defence sector of North Macedonia, are subject under these two laws. “The legal framework on public procurement is broadly aligned with the EU’s ‘classical’ and ‘procurement for utilities’ Directives of 2014.”

An important internal regulation in the field of defence procurement is the 2019 Acquisition Rulebook of the MoD. The Rulebook is applied for the situations when the procurement is undertaken under the rules of exceptions as provided in the public procurement legislation. The Acquisition Rulebook and other internal procurement regulations possess procedural provisions. However, they lack integrity and ethics provisions. Also, there is still need for review of the internal procurement procedures of the MoD in the light of the new public procurement laws.

In principle, the public and defence procurements by the MoD is competitive. However, the procurement legislation, including the Public Procurement Law in the Area of Defence and Security and Articles 22-26 of the Public Procurement Law, provide for derogations and exceptions from the normal competitive requirements when the goods or services sought require defence or security secrecy.

As a result of the exceptions provided, there is differentiated procurement legislation in the field of defence that in certain conditions departs from the general standards of openness and transparency. The exceptions provide for an environment of secrecy and lessened transparency, together with a wider than usual field of discretion given to contracting authorities, which can lead to becoming a fertile ground for inefficient use of public resources. The dividing line between defence acquisitions which require defence secrecy and those which do not is not always clear.

Thus, it is not always clear whether the general procurement rules such as transparency and competition should apply to defence contracts. In consequence, the application of the exceptions in practice remains as a risk in ensuring efficiency in the use of defence resources. It is the MoD's responsibility to define and protect the country's vital defence interests. The procurement

legislation recognises this prerogative of the MoD and provides derogation for cases where compliance with general procurement rules would undermine the country's vital defence interests. However, using derogations as provided in the procurement legislation results in the non-application of general procurement rules of the public procurement legislation. The legislation therefore contains strict conditions for the use of the derogations, balancing the country's interests in the field of defence against the fundamental principles and objectives of the public procurement. The aim of these conditions is to prevent possible misuse and to ensure that the derogations remain an exception limited to cases where the MoD has no other choice than to protect the country's defence interests. Therefore, for prevention of possible risks, any derogation from the general procurement rules need be interpreted strictly and wider interpretation be avoided.

Regarding the defence procurement, the procurement legislation provides for the possibility of Government-to-Government (G2G) arrangements in order to meet the requirements of the defence sector. The current defence plans of North Macedonia depict that in coming years the bulk of defence procurement is expected to be purchased through this route. The G2G procurement arrangements seem to be reasonable in respect of high-tech weaponry systems in order to ensure inter-operability with NATO standards. However, as the G2G route absolves the MoD from the procedures of competitive bidding and as the G2G is a single source purchase, it conflicts with general procurement rules of the public procurement system in North Macedonia that explicitly mandates open competition and thus is an area of risk, requiring application of safeguards in order to ensure value to the defence budget and to the liberal democratic values of the country.

According to the structure of North Macedonia's MoD, there is the Sector of Logistics, which is responsible for procurement processes within the MoD. Under the General Staff of the Army, there are Sections, and in the MoD there are Sectors, that are Plan Holders responsible for the development of the plans for procurement of goods, services, and works for the Army and the MoD, and monitor their implementation.

Based on the annual procurement plans, "Referati" are being prepared by Plan holders in Army and the MoD that include concrete plans and technical specifications for specific contracts that are planned to be awarded annually and Referati are submitted to Logistics Sector for further processing after the annual procurement plan for the current year is signed by the Minister and published on the website of the MoD and on the Electronic System for Public Procurement of the Public Procurement Bureau. The personnel employed in the Sector of Logistics, are trained to perform activities in the area of public procurement and are mostly holders of certificates for public procurement.

Technical expertise plays an important role in drawing up specifications and evaluating offers. Preparations of the requirements, technical specifications for goods, terms of references for services, or statements of works, require significant knowledge of respective goods, services or works in order to identify the best solutions. This has put into test the capacity and competences of the Plan Holders in the Army and the MoD, and Logistics Sector in the MoD, to properly prepare tender documentation, to evaluate the bids and to ensure the required qualitative and quantitative acceptance of the delivered goods and services.

The public procurement has become increasingly important in North Macedonia given the fact that it accounts for 7% of Gross Domestic Product and tends to mark a steady increase from year to year. The MoD is among the institutions which carried out procurements with a total value in of some 737 million denars or around €12 million in 2018, according to estimates by the Public Procurement Bureau. The MoD is estimated to be the fourth largest spender among the state bodies. Information about unclassified purchases carried out by the MoD is available to the public.

Classified purchases and single source contracts are not published publicly. Single source procedure is used under certain conditions and strictly regulated by the legislation. Although it has been estimated that the rate of single source procurement is very low with the last one signed at the beginning of the COVID-19 pandemic, the precautions need to be taken in order to keep single source procurements low.

No procedures and standards are required from companies to have compliance programmes and business conduct programmes in building integrity, in order to be able to bid for contracts of the MoD. At present, companies competing for contracts issued by the MoD have not been requested to have established ethics programmes in order to be able to bid on public and defence procurements. Debates are ongoing in NATO for establishing such standards.

An important dimension of the procurement process is the risk management as it is important tool to alleviate the uncertainties in the procurement process. Risks may occur in any phase of procurement: planning phase, procurement procedure or contract administration. Among important risks include: incomplete and not implementable requirements; budgeting of the contracts; setting evaluation criteria; issues of conflicts of interest; quality management, etc. To succeed in today's quickly changing environment, procurement professionals must be analytical and data-driven. Decisions have to be based on evidence and analysis. The MoD have collected a lot of data by conducting procurement procedures, but there is a need for their analysis in order to install key performance indicators that would enable the procurement services of the MoD to control and optimize the procurement cycle.

*Benchmark set for the sector:*

“Enhanced organisational structure and institutional capacity to further enhance integrity and transparency in public procurement”

## **5. Asset Management**

Assets such as equipment and buildings are often the most valuable assets a defence establishment possesses. When disposing of surplus equipment, defence establishments are obliged to obtain the best outcome for the tax payer. In principle, the sale of equipment or infrastructure should be approached in a way similar to the procurement. Within defence establishment, assets can be subdivided into six categories: 1. Military equipment which cannot be used for civilian purposes; 2. Land and Buildings; 3. Assets under construction; 4. Transport equipment; 5. Plant and Machinery; and 6. Information Technology and Communications. All six of these surplus categories when disposing can be subject to corruption risks.

*Current state of affairs*

The legal framework for asset disposal in North Macedonia is the 2015 Law on Use and Disposal with the Assets in State Ownership and with the Assets in Municipal Ownership. Another related law that is applied for the asset disposal is the 2010 Law on Assessment. According to the legislation, the immovable and movable assets that public organs permanently have ceased to use can be disposed of.

The General Staff of the Army conducts a review of the assets, both movable and immovable, and submits its proposals to the MoD for disposal of assets. The MoD's Commission for Management of Immovable and Movable Assets and Department for Real Estate Services are responsible for the management of the asset disposal processes. Disposal of assets is made through either public auction or direct agreement. Public auction is the rule for disposal in the case of immovable assets.

The MoD can propose to the government for disposal of immovable assets only when other public organs do not need for use the immovable asset for which the proposal is made for disposal. The MoD reports on the receipt of such income to the Ministry of Finance. All proceeds from such disposals are returned to the state budget.

The valuation of assets is determined in the framework of the 2010 Law on Assessment. Engaging independent assessors to assess the value of the relevant assets is an obligation by the law.

In the MoD, the divestiture of material for any reason (inoperable, obsolescence, modernisation etc.), is done in accordance with the Guidelines for Disposal of Tangible Assets, issued by the Minister of Defence. The MoD has also specific plans that relate to asset disposal: the Plan for Divestment of Non-Core Assets until 2020, and Equipment Divestiture Program Strategy. The “new plan for divesting of non-core assets by 2020” has chosen to dispose of 40 watchtowers, 15 business premises, 13 warehouses, two army houses, three restaurants and two farms. These assets are initially assigned to municipalities, who later put them on sale or keep them for further use. The MoD, further to its disposal plans, has developed specific projects for implementation of the disposal of assets, including the 2010 project titled “Old military barracks for new development”, under which project it disposed of 8 military barracks and parts of 4 other barracks.

The State Audit Office, the supreme audit institution of the Republic of North Macedonia, when auditing the MoD, has reviewed ways the MoD has disposed of military or other assets and has made important suggestions.

*Benchmark set for the sector:*  
“Increased transparency in asset disposals”

## **6. Internal Control**

Arrangements for internal control are vital to building integrity in the defence sector. The internal control arrangements, such as internal audit, inspector general, etc., allow determining the extent to which the public bodies actually comply with established standards for legality, regularity and cost efficiency. For example, the internal audit, in the framework of the Public Internal Financial Control (PIFC) system, can ensure that public funds are being used for the objectives determined. The inspector general can investigate the abuse of authority.

*Current state of affairs*

The concept of PIFC has been developed in the defence sector of North Macedonia in order to provide for internal control, internal audit and financial management in the public service. The MoD possesses the system of ex-ante control of commitments and payments. The internal audit function in the MoD is exercised by its Department of Internal Audit. Internal audit service is organizationally and functionally independent and directly and solely responsible to the Minister of Defence. However, the acceptance of internal audit within the MoD and the recognition of its role and objectives are not yet fully understood and exploited. The centralised nature of decision making, limited delegation of authority and inadequate specification of the roles, has hindered the potential of the impact of the internal audit in the public service of North Macedonia and including within the MoD.

Administrative inspection or inspection supervision, that form part of ministries and other state bodies, including in the MoD, is responsible for inspection of the application of the laws and other regulations in the ministries and other state bodies, including in the field of conflicts of interest. In

this framework, the Inspectorate Sector of the MoD is tasked to coordinate anticorruption measures of the MoD, including in the field of conflicts of interest. From the standpoint of transparency, it is important that the MoD's quarterly reports on inspection supervision are published on the website of the MoD. However, in practice, only names of units inspected are provided; no content of the reports are provided in the website of the MoD.

*Benchmark set for the sector:*

“Increased role of the internal audit and of the inspectorate in building integrity”

### **Information on the system of oversight for implementation of the Integrity Plan 2021-2024**

The activities planned under the Plan are specifically identified in part called the Matrix of activities. The Matrix identifies the activities to be implemented, deadlines, responsible departments, and other elements.

The implementation process of the Matrix will be monitored and will be reported regularly every 6 months. The responsible body for monitoring is the Working Group that was responsible for the development of the Plan. The Working Group should monitor, analyze and evaluate the degree of implementation of measures and activities set in the Matrix. The results of the Plan are aimed to be made public in the framework of the active transparency policy of the MoD. For this purpose, a specific monitoring matrix is designed and added at the end of the Plan that will be used for producing information on the progress achieved as regards the activities envisaged in the Plan.

Once the Plan is completed with the implementation, in 2025, the complete analysis will be conducted on the progress achieved with the implementation of the Integrity Plan 2021-2024.

No. 01-5250/1  
12 August 2021

Minister of Defence  
Radmila Shekerinska Jankovska



Republic of North Macedonia

**Ministry of Defence**

## Matrix of Activities for implementation of the Integrity Plan 2021-2024

<b>I. Sector: Human Resources Management</b>						
<b>Benchmark:</b> Enhanced efficiency of the Human Resource Management System						
<b>Activity</b>	<b>Outputs expected</b>	<b>Deadline</b>	<b>Responsible Department</b>	<b>Risks</b>	<b>Risk mitigation measures</b>	<b>Resources</b>
1. Design a module and introduce regular training of the civilian and military personnel on ‘building integrity’	Regular “Building Integrity” Training established	Q4 2021	DHR	Non availability of the BI Trainers	Including BI Trainings in the yearly Education and Training Plan of the MoD; Engaging BI Trainers in advance	Human Resources of MoD (BI Pool of Trainers) with inputs from CIDS
2. Design a module and introduce regular training to HRM sector on HRM processes - planning, recruitment, promotion, performance management, and training	Training on HRM introduced and delivered to HRM personnel	Q2 2022	DHR	Non availability of staff in attending trainings; Travel restrictions	Including HRM Trainings in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS
3. Review of the system of taking and keeping written records for the whole	Analysis and recommendation for reinforcement of the current system of taking and keeping	Q4 2022	DHR/J1-GS	Work overload of the DHR personnel	Planning in advance and allowing sufficient time for delivery	Human Resources of MoD

recruitment and promotion processes	written records for the whole recruitment and promotion processes, produced					
4. Introduce the concept of “Building Integrity” within the Military Academy courses	Building Integrity concept introduced within the Military Academy courses with special reference to the Ethical Codex and the Code of Conduct	Q2 2023	Military Academy	Inflexible curricula policies	Involving and consulting the regulatory authorities	Human Resources of MoD (BI Pool of Trainers) with inputs from CIDS
5. Prepare review and identify the corruption sensitive jobs	Review of corruption sensitive jobs, produced and corruption sensitive jobs identified	Q4 2023	DHR, in collaboration with J1-GS, DIA, DI and MSSI	Insufficient awareness on the importance of the issue	Comparing and analysing best practices from other NATO countries	Human Resources of MoD with inputs from CIDS
6. Prepare internal procedure for staffing and rotation of corruption sensitive jobs	Internal procedure for staffing and rotation of corruption sensitive jobs, produced	Q2 2024	DHR, in collaboration with J1-GS, DIA, DI and MSSI	Insufficient staff to cover production of the procedure	Planning in advance and allowing sufficient time for delivery	Human Resources of MoD
7. Design and introduce a regular training for personnel working in, or recently promoted to, corruption sensitive jobs	Training for personnel working in, or recently promoted to, corruption sensitive jobs designed and delivered	Q4 2024	DHR	Non availability of staff in attending trainings; Travel restrictions	Including HRM Trainings in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS

8. Prepare review and identify practices in NATO countries for transparency of job descriptions of civilian personnel	Review of practices in NATO countries as regards the transparency of job descriptions of the civilian personnel, produced	Q4 2021	DHR	Insufficient awareness on the importance of the issue	Comparing and analysing best practices from other NATO countries	Human Resources of MoD with inputs from CIDS
9. Conduct the job analysis exercise/review of job descriptions	Review of job descriptions, delivered	Q2 2024	DHR	Insufficient institutional capacity	Producing methodology and training the personnel to be involved	Human Resources of MoD with inputs from CIDS
10. Review the existing performance appraisal system of civilian personnel	Review of the existing performance appraisal system of the civilian personnel, produced	Q2 2023	DHR/DLA	Limitations imposed by the Law on Administrative Servants	Focusing on practices in implementation of the Law	Human Resources of MoD with inputs from CIDS
11. Review the existing system of “recruitment” and “promotion” in the Army in view of the merit principle	Review of the existing system of recruitment and promotion in the Army, produced	Q4 2023	DHR/DLA	Limitations imposed by the Army Service Law	Focusing on practices in implementation of the Army Service Law	Human Resources of MoD
12. Review the impact of the case law (Court decisions) to the HRM rules and processes within the MoD and the Army	Review of the impact of the case law (Court decisions) to the HRM rules and processes within the MoD and the Army, conducted	Q2 2023	DLA/DHR and J1-GS	Large quantity of data to be analysed and processed	Allowing sufficient time for planning and delivery	Human Resources of MoD
13. Review of new policies and practices	Review of new policies and practices to be	Q3 2023	DLA/DHR/J1-GS	Inflexible legal procedures	Comparing and analysing best practices from other NATO countries	Human Resources of MoD

to be reflected in the Army Service Law	reflected in the Army Service Law, produced					with inputs from CIDS
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## II. Sector: Conflicts of Interest

Benchmark: Improved mechanisms for the protection of whistle-blowing and for prevention of conflict of interest mechanisms						
Activity	Outputs expected	Deadline	Responsible Department	Risks	Risk mitigation measures	Resources
14. Analyse how the conflicts of interest regime is regulated by the Law on Defence and the Law on Service in the Army	Analysis of the conflicts of interest regime, produced	Q4 2021	Working Group (DLA, DIA, DI, GS, -DHR, DL)	Insufficient awareness on the importance of the issue	Comparing and analysing best practices from other NATO countries; Consulting relevant experts and civil society	Human Resources of MoD with inputs from CIDS
15. Propose establishment of a system within the MoD and the Army for systematic and continuous management and monitoring of conflicts of interest regime	Proposal for system of management and monitoring of conflicts of interest, produced	Q4 2022	Working Group (DLA, DIA, DI, GS, DHR, DL)	Insufficient awareness on the importance of the issue	Comparing and analysing best practices from other NATO countries	Human Resources of MoD with inputs from CIDS

### III. Sector: International Missions and Operations

Benchmark: Improved safeguards for prevention of corruption in international missions and operations						
Activity	Outputs expected	Deadline	Responsible Department	Risks	Risk mitigation measures	Resources
16. Design a policy for participation in international missions and operations, in which the corruption risks are identified and mitigation measures are provided	Policy for corruption risk prevention in international missions and operations, developed	Q2 2022	GS/DL/DPP	Low scope of past operations; low level of past procurements in international missions and operations	Comparing and analysing the best practices	Human Resources of MoD
17. Establish a system of recording learned lessons from past deployment in international missions and operations from the perspective of corruption risks	Procedure for recording of lessons learned from deployments in respect to corruption risks, developed; Procedure for reporting on corruption risks during deployments, developed	Q4 2022	GS	Low level of past procurement in international missions and operations	Comparing and analysing the best practices	Human Resources of MoD
18. Design a module and introduce a regular pre-	Regular pre-deployment Training Established	Q2 2023	DHR/GS	Non availability of the BI Trainers	Including the training in the yearly Education and Training Plan of the MoD;	Human Resources of MoD (BI

deployment anti-corruption training					engaging BI Trainers in advance	Pool of Experts)
19. Analyse past procurements in international missions and operations, and develop a Rulebook for procurements in International missions and operations	Analysis of past procurements in international missions and operations and Rulebook for procurements in International missions and operations, developed	Q4 2023	GS/DL	Low level of past procurements in international missions and operations	Comparing and analysing the best practices	Human Resources of MoD

IV. Sector: Public Procurement						
Benchmark: Enhanced organisational structure and institutional capacity to ensure integrity and transparency in public procurement						
Activity	Outputs expected	Deadline	Responsible Department	Risks	Risk mitigation measures	Resources
20. Design a module and introduce regular training for conduct of “annual procurement planning” in public and defence procurement processes	Training on “annual procurement planning” introduced and delivered	Q4 2021	DHR	Non availability of staff in attending trainings; Travel restrictions	Including the Training in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS

21. Design a module and introduce regular training for conduct of “market research” in public and defence procurement processes	Training on “market research” introduced and delivered	Q2 2022	DHR	Non availability of staff in attending trainings; Travel restrictions	Including the Training in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS
22. Design a module and introduce regular training for “design of the Technical Specifications” in public and defence procurement processes	Training on design of the Technical Specifications” introduced and delivered	Q4 2022	DHR	Non availability of staff in attending trainings; Travel restrictions	Including the Training in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS
23. Design a module and introduce regular training for “evaluation of tenders” in public and defence procurement processes	Training on “evaluation of tenders” introduced and delivered	Q2 2023	DHR	Non availability of staff in attending trainings; Travel restrictions	Including the Training in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS
24. Design a module and introduce regular training for “contract management” in public and defence procurement processes	Training on “contract management” introduced and delivered	Q4 2023	DHR	Non availability of staff in attending trainings; Travel restrictions	Including the Training in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS
25. Design a module and introduce regular training for “conduct of procedure of		Q2 2024	DHR	Non availability of staff in	Including the Training in the yearly Education and	Human Resources of MoD

of procedure of acceptance for delivered works, supplies and services” in public and defence procurement processes	acceptance for delivered works, supplies and services” introduced and delivered			attending trainings; Travel restrictions	Training Plan of the MoD; VTC Trainings	with inputs from CIDS
26. Review the way internal procurement procedures deal with ‘integrity’ principles	Review on how the internal procurement procedures deal with ‘integrity’ principles, produced	Q1 2023	DL/ Plan Holders	Changes in the flow of procurement processes and responsible departments and units	Continuous monitoring of processes and consecutive changes	Human Resources of MoD with inputs from CIDS
27. Review of the past failed tenders and provide lessons learned and recommendations	Review on the past failed tenders and provide lessons learned and recommendations, produced	Q4 2023	DL	Changes in the flow of procurement processes and responsible departments and units	Continuous monitoring of processes and consecutive changes	Human Resources of MoD
28. Examine NATO practices referring to compliance programmes for private companies	Best practices analysis, produced	Q2 2024	DL/Army Representatives to NATO Bodies and Working Groups	Lack of data	Comparing and analysing the best practices	Human Resources of MoD

## V. Sector: Asset Management

Benchmark: Increased transparency in asset disposals						
Activity	Outputs expected	Deadline	Responsible Department	Risks	Risk mitigation measures	Resources
29. Review the past practices of asset disposal and provide analysis, lessons learned and recommendations	Review on the past practices of asset disposal with recommendation, produced	Q2 2023	Department for Real Estate /Commission for use and disposal of tangible assets/DF	Lack of data	Comparing and analysing the best practices	Human Resources of MoD with inputs from CIDS
30. Design a module and introduce training on asset disposal	Training on assets disposal, introduced and delivered	Q4 2023	DHR	Non availability of staff in attending trainings; Travel restrictions	Including the Training in the yearly Education and Training Plan of the MoD; VTC Trainings	Human Resources of MoD with inputs from CIDS
31. Review the relevant legislative and provide recommendations for amendments	Recommendations for amendments of relevant laws, produced	Q4 2023	DRE/DLA	Insufficient awareness	Comparing and analysing the best practices	Human Resources of MoD

## VI. Sector: Internal Control

Benchmark: Increased role of the internal audit and of the inspectorate in building integrity						
Activity	Outputs expected	Deadline	Responsible Department	Risks	Risk mitigation measures	Resources
32. Review the implementation record of past recommendations in the field of integrity provided by the Internal Audit Unit and by the Inspectorate Sector	Review on the implementation record of past recommendations in the field of integrity provided by the Internal Audit Unit and by the Inspectorate Sector, produced	Q4 2021	DI/DIA	Instances of lack of feedback	Requesting feedback where missing and preparing in advance for the Review	Human Resources of MoD
33. Review the existing system and practices within the MoD and the Army as regards systematic and continuous handling of corruption allegations, e.g. dedicated telephone line and email	Review of the existing system on handling of corruption allegations, produced	Q2 2022	Appointed Personnel for handling corruption allegations	Low number of reports	Considering best practices	Human Resources of MoD
34. Review the existing system and practices within the MoD and the Army as regards the	Review on the existing system of protection of whistle-blowers, produced	Q4 2022	Appointed Personnel for protection of whistle-blowers	Low number of reports	Considering best practices	Human Resources of MoD

protection of whistle-blowers						
35. Develop a Map and description of business processes within the MoD and the Army	Map and description of business processes, produced	Q2 2023	Working Group (DHR/GS/DPP)	Insufficient technical capacities	Ensuring availability of the relevant staff with skills in the field	Human Resources of MoD
36. Review the existing system and practices as regards “delegation of authority” within the MoD and the Army	Analysis of the practices of delegation of authority conducted and recommendations produced	Q4 2023	Working Group	Insufficient awareness	Comparing and analysing the best practices	Human Resources of MoD with inputs from CIDS
37. Review the existing system and practices as regards “decision making” within the MoD and the Army	Analysis of the existing system of decision making within the MoD and the Army conducted and recommendations produced	Q2 2024	Working Group	Insufficient awareness	Comparing and analysing the best practices	Human Resources of MoD with inputs from CIDS
38. Analyse the effects of the implementation of the 2017 Code of Ethics of the employees of the Ministry of Defence and of the Army	Analysis of the effects of the Code of Ethics of the employees of the Ministry of Defence and of the Army	Q4 2024	DLA/GS	Insufficient awareness	Comparing and analysing the best practices	Human Resources of MoD with inputs from CIDS

## Matrix for monitoring the implementation of activities of the Integrity Plan 2021-2024

*(Note: the below monitoring table to be filled in when monitoring the progress of the Plan and to be reproduced for each sector of the Plan)*

<b>X. Sector: -</b>					
<b>Benchmark: -</b>					
<b>Activity</b>	<b>Outputs produced</b>	<b>Implementation of Activity (Yes and when implemented In Progress, No)</b>	<b>Outcomes achieved</b>	<b>Number of people involved</b>	<b>Additional Notes</b>
-	-	-	-	-	-