Annex 1: Performance Indicator Matrix for the 2025 Public Finance Reform Program

No.	PILLAR / PRIORITY / Measure / Activity	RESPONSIBLE INSTITUTION	DEADLINE	PRIORITY INDICATORS	TARGET FY 2025	INDICATOR OUTTURN FY 2025	PROGRESS OF IMPLEMENTATION OF ACTIVITIES	NEXT STEPS	EXPECTED TIME OF REALISATION
	PILLAR								
	PRIORITY					Not achieved			
	Measure					Achieved	Completed / Ongoing implementation / Not commenced		
	Activity					Partially achieved Not achieved			
	PILLAR I: Economic Analysis, Macroeconomic and Fiscal Framework								
	PRIORITY 1: Tax revenue forecasting and Reporting			Deviation in total revenues and in the composition of revenues between planned and actual amounts, as used in PEFA PI3* as part of SIGMA*. Program-based ratings: A, B, C, D (highest rating - A, lowest - D) *https://www.pefa.org/resources/calculation-sheet-revenue-composition-outturn-pi-32-november-2018 *https://www.sigmaweb.org/	Score C	**Achieved**			
	MEASURE 1: Improvig reporting on tax expenditures and other tax indicators			Number of data sharing protocols signed and implemented, Number of published reports per year and realized trainings for preparation of the reports	1 Training for preparation of annual tax expenditures provided Annual tax expenditures prepared	**Partially achieved**			
	ACTIVITY								
1	**1. Implementation of training for the preparation of annual tax expenditures**	MoF	Q4/2024	/	/	/	**Completed:** An online training was conducted for the preparation of annual tax expenditures.	Continuation of activities within the framework of technical assistance with the IMF aimed at the preparation of the annual tax expenditure	Q4/2026
2	**2. Preparation of annual tax expenditure**	MoF	Q4/2024	/	/	/	**Partially Achieved:** During the training on the preparation of annual tax expenditures, an assessment of the majority of tax expenditures was carried out.		
	MEASURE 2: Enhancing the capacity for application on tax models			Number of provided tailor-made training of staff,Number of tax models fully operational; new modules for tax expenditures developed and Power BI tool installed	Implemented 1 training in cost-benefit analysis of tax expenditures; 3 tax models fully implemented, with 4 extensions with a module for tax expenditures; Power BI tool installed. Implemented 6 trainings for tax modeling Implemented 1 training for Power BI	**Partially achieved**			
	ACTIVITY								
3	1. Tax model for PIT: -Training of employees -manualfor the application of tax model	MoF	Q2/2025				**Achieved:** One training was conducted by the World Bank on the tax model for PIT (Personal Income Tax).		
4	2. Tax model for CIT: -Training of employees -manual for the application of tax model	MoF	Q4/25				**Not achieved:** This activity was postponed and is planned to be implemented in the first half of 2026	The activity has been agreed upon; it is only necessary to determine a suitable date for holding the training on the CIT model.	Q1/2026
	3.Tax model for VAT: -Training of employees -manual for the application of tax model	MoF	Q4/25				**Achieved:** A training was conducted by the World Bank on the tax model for VAT.		
	PRIORITY 2: Economic analysis and Macroeconomic forecasting			•Deviation between realised and forecasted GDP •Deviation between actual and budgeted expenditures for specified risk-prone expenditures	Number of trainings and workshops conducted to assess the impact of structural policies using existing and new tools.	**Achieved**			
					Developing new tools for macroeconomic planning and projections, as well as policy analyses: - Development of a macro-fiscal structural model and appropriate adjustment	**Partially achieved**			
					Implemented initial activities to improve the institutional framework for fiscal risks - Implemented initial activities for realization of action plan for improvement of fiscal risks monitoring and analyses - Improved presentation of fiscal risks in Fiscal Strategy	**Partially achieved**			
	MEASURE 1: Capacity building for economic analyses			Impact assessment of certain economic policies, reforms or measures and additional economic analyses conducted	Trainings provided	**Achieved**			
	ACTIVITY								
5	1.Increasing the scope of economic analyses. Continuation of the development of a new tool to improve analyses of the economic trends including: labor market developments, the informal economy, the assessment of the productivity and the competitiveness of the economy, etc.	MoF (DEPD, DT, DBF, DPD)	2026	/	/	/	**Ongoing implementatio:** In cooperation with the Swiss State Secretariat for Economic Affairs (SECO), the Project for Macroeconomic Planning and Management is being implemented through a modular approach. The first module was carried out in 2022 and 2023, the second module was implemented in 2024 and 2025, and the continuation of the project is planned for 2026 with the implementation of the third module. In 2025, the following four onsite training sessions were held (one training in each quarter): • From March 17 to March 21, 2025, training was held focused on updating the baseline macroeconomic scenario within the model and examining the possibilities for incorporating the obtained results into the Fiscal Strategy. Also, within this mission a meeting was held with relevant departments within the Ministry of Finance (Budget and Funds Department and Tax and Customs Policy Departmnet) with the aim of presenting and discussing the results generated by the model in the fiscal sector. • From May 19 to May 23, 2025, training was held on creating alternative scenarios for different policies within the macroeconomic model, as well as on improving certain parts of the model calculations (exports–imports, inflation, deflator, etc.). • From September 29 to October 3, 2025, training was held to practice the independent usage of the model file, the incorporation of expert judgments in updating the model and creating the baseline macroeconomic scenario, as well as the creation of alternative scenarios within the model. • From November 24 to November 28, 2025, training was held on updating the macroeconomic model with a particular focus on short-term assumptions and on creating alternative scenarios in the model through the introduction of shocks.	In the period 2026, the continuation of the project is planned with the implementation of the third module. The third module will cover the following: further development of the model to reflect institutional specifics, finalization of the technical infrastructure, providing complete documentation, and the implementation of the model in policy planning, specifically in medium-term planning, medium-term goals, Fiscal Strategy, etc. It is planned to hold four	
	2. Economic policy impact assessment. Continuation of the development of a new tool to improve assessment of the impact from certain economic policies, reforms or measures.	MoF (DEPD, DT, DBF, DPD)	Q4/26		/	/			

	MEASURE 2: Developing new macroeconomic models			New macroeconomic models in the preparation of budget documents and the Program for Economic Reforms	Trainings provided	**Partially achieved**			
	ACTIVITY								
6	1.Developing macroeconomic forecasting tools: -Macro –fiscal structural model to be developed	MoF (DEPD)	Q4/26	/	/	/	**Ongoing implementation:**in the period 24.03.2025-28.03.2025, a training session was held at the Ministry of Finance for the macro-structural model (MFMOD). The training covered the following: updating the model database and setting up a baseline scenario, developing a user manual, and elaborating concepts related to productivity and the output gap. • During October 2025 several online meetings were held during which the principles for updating the model database and adjusting the model were further elaborated. • In the period 14.10.2025-18.10.2025, a training session was held at the Ministry of Finance, focusing on preparing projections using the macro-structural model through the application of fiscal assumptions and shocks, simulating policy impacts, and programming shocks in the model using E-Views. • In November 2025, several online meetings were held in related to assessing the economic impact of reforms under the Reform Agenda using the model, including support for quantifying reform impacts for the Economic Reform Programme 2026–2028.	Further activities are planned to continue work on the models, with periodic training of staff. In addition, activities are planned to begin for the development of a climate change impact module within the macro-structural model, along with trainings and	
	MEASURE 3: Fiscal Risks			Comprehensive reporting (Fiscal Risks chapter in the Fiscal Strategy) on: liabilities of central and local governments; PPP associated risks; summary of risks identified by the biggest SoEs; comparison of macro-fiscal forecast scenarios	Implemented activities from the action plan for activities related to fiscal risks Implemented activities to improve the institutional framework for fiscal risks Improved presentation of fiscal risks in the Fiscal Strategy.J32	**Partially achieved**			
	ACTIVITY								
8	1. Implementation of a plan with activities to strengthen the capacities for fiscal risks analyses in line with FAD/IMF recommendations	MoF (Working Group on Fiscal Risks)	Q4/26	Comprehensive Report (Statement on Fiscal Risks) on: Obligations of central and local authorities; Risks associated with Public Private Partnerships (PPPs); Risks identified by the largest Public Enterprises (PEs);	/	/	**Ongoing implementation:**- According to IMF recommendations, the section on fiscal risks, as part of the Fiscal Strategy and the Revised Fiscal Strategy 2026 to 2030, was improved. Within this framework, analyses were provided of risks related to public enterprises and state-owned enterprises, municipalities, public debt and sovereign guarantees, legal claims against the state, the implementation of public investments and public private partnerships, macroeconomic risk analysis, a review of tax revenue collection, as well as environmental risks.	During the period from February 18 to 27, 2025, a new IMF mission for determining and assessing fiscal risks will be held, with a focus on the risks arising from public and state-owned enterprises	
9	2. Development of a Fiscal Risk Registry and promotion of Institutional Framework according to the best regional and EU practices	MoF (Working Group on Fiscal Risks)	Q2/26		/	/	**Ongoing implementation:**- In the period from February 18 to 27, 2025, the International Monetary Fund conducted its third technical assistance mission in the area of fiscal risks. The mission was aimed at familiarizing experts with individual fiscal risks, the mechanisms for reporting and recording fiscal risks, and provided recommendations for improvement, including the establishment of a Fiscal Risk Registry. Within these areas, sub-activities were proposed with short- and medium-term implementation timelines. Additionally, at the end of February 2026, an IMF mission is planned for the preparation of a draft Fiscal Risk Registry. The Registry will cover fiscal risks related to state-owned enterprises, major capital projects and PPPs, municipalities, climate change, and legal claims against the state, as well as macroeconomic projections, public debt, and guarantees.		
	PRIORITY 3: Strengthening Debt Management			Improved debt refinancing risk indicators	/	/			
				Increased grade in SIGMA report	/	/			
	MEASURE 1: Reducing operational risks at public debt management			Number of external debt orders paid electronically	80% of external debt orders to be realized electronically	**Achieved**			
				Increased number of employees responsible for public debt management	13 employees for public debt management	**Partially achieved**			
				Procedure for Quarterly debt reconciliation with foreign creditors	Adopted procedure for Quarterly debt reconciliation with foreign creditors	**Not achieved**			
	ACTIVITY								
11	1. Introducing e-banking with NBRNM for external debt repayment	MoF	2026	/	/	/	**Completed**		
12	2. Strengthening public debt management capacities	MoF	2028	/	/	/	**Ongoing implementation**	Hiring the planned number of employees (2 new hires in 2026)	2028
13	3.Reconciling the debt stock with the creditors	MoF	2025	/	/	/	**Not commenced**		2026
	MEASURE 2: Increasing public debt transparency			Calculation of general government debt in accordance with the statistical standard SDDS plus	Government debt is displayed according to SDDS plus standard	**Achieved**			
				Publication of general government debt in accordance with the Maastricht criterion	/	**Partially achieved**			
	ACTIVITY								
14	1. Amendments to the Law on Public Debt in order to align it with the definition of general government debt in accordance with the Organic Budget Law	MoF	2026	/	/		**Ongoing implementation**	Preparation of amendments to the Law on Public Debt	2026
15	2. Incorporating debt data in the Budget document	MoF	2028				**Ongoing implementation**	Analysis of regional and global experiences	2028
	3. Preparation of Annual Borrowing Plan	MoF	2028				**Ongoing implementation**	Analysis of regional and global experiences	2028
	4. Improving Debt Reporting	MoF	2028				**Ongoing implementation**	Analysis of regional and global experiences	2028
	MEASURE 3: Introduction new debt instruments			Diversification of debt instruments	Issuances of the Development Bond will be defined during the monitoring process	**Achieved**			
	ACTIVITY								
16	Issuing Development Bond for Citizens	MoF	2028	/	/	/	**Completed**		

No.	Pillar / Priority / Measure / Activity	Responsible institution	Deadline	Indicator	Target	Status	Implementation
	PILLAR: II: Revenue Mobilisation						
	PRIORITY 1: Tax and Customs Policy			Progress made toward fulfilment of the EU accession criteria (steady progress in the respective Chapters 16 and 29)	Ch.29: Good level of preparation Good progress Ch.16: Moderately prepared Limitedprogress	**Achieved**	
	MEASURE 1:Improved revenue legislation framework, harmonized with the EU acquis and best practices			Number of legislative acts (regarding Ch.16 and Ch.29)	Not less than 1 legislative act	**Achieved**	
	ACTIVITY						
17	1. Gap analysis of the national tax legislation (laws and by-laws) compared to the EU legislation and best practices.	MoF – Public Revenues and Tax and Customs Policy Department	2028		/		**Ongoing implementation - T**he activity in question was largely implemented within the Twinning project "Improvement of Revenue Collection and Tax and Customs Policy".
18	2. New legal acts and/or amendments to the existing national tax legislation (laws and by-laws) drafted in line with the EU legislation and best practices	MoF – Public Revenues and Tax and Customs Policy Department	2028		/		**Ongoing implementation**-following activities were implemented: Law on Amendments to the VAT Law was adopted („Official Gazette of Republic of North Macedonia “, no. 247/25 of 10 December 2025); The Law on a minimum global corporate income tax was adopted ("Official Gazette of the Republic of North Macedonia", no. 3 from 3.01.2025) Rulebook on manner of calculation and payment of top-up tax was adopted ("Official Gazette of the Republic of North Macedonia", no. 270/2025)following activities were implemented:
19	3. Gap analysis of the national customs legislation (laws and by-laws) compared to the EU legislation and best practices.	MoF – Public Revenues and Tax and Customs Policy Department	2028				**Ongoing implementation**- The activity in question was largely implemented within the Twinning project "Improvement of Revenue Collection and Tax and Customs Policy".
20	4. New legal acts and/or amendments to the existing national customs legislation (laws and by-laws) drafted in line with the EU legislation and best practices	MoF – Public Revenues and Tax and Customs Policy Department	2028				**Ongoing implementation:**The following activities were implemented in the reporting period: - A draft of a new Customs Code was prepared, fully aligned with the EU Customs Law. - An amendment to the Law on the Customs Tariff was adopted, published in the "Official Gazette of the Republic of North Macedonia" No. 130/25; - Decree amending the Decree on the classification of certain goods in the Combined Nomenclature in accordance with the regulations of the European Commission (17th continuation) was adopted, published in the “Official Gazette of the Republic of North Macedonia” no.62/25; - Decree amending the Decree on the classification of certain goods in the Combined Nomenclature in accordance with the regulations of the European Commission (18th continuation) was adopted, published in the “Official Gazette of the Republic of North Macedonia” no. 189/25 - Decree amending the Decree on the classification of certain goods in the Combined Nomenclature in accordance with the regulations of the European Commission (19th continuation) was adopted, published in the “Official Gazette of the Republic of North Macedonia” no. 248/25; - Decision on harmonization and amendment to the Customs tariff for 2026 was adopted, published in the “Official Gazette of the Republic of North Macedonia” no.261/25, and - Program for the management, arrangement and maintenance of border crossing facilities for road traffic for 2025 has been adopted, published in the "Official Gazette of the Republic of North Macedonia" no. 123/25.
	PRIORITY 2: Tax Administration			% percentage of digitized tax services	90%	**Partially achieved** (Due to a revised Methodology for determining this indicator, a digitization rate of 73% was established for 2025).	
				improved rate of tax payment on time (VAT)	Rate on number of timely payments – 65% Rate on amount of timely payments - 75%	**Achieved** Rate on number of timely payments -67,32% Rate on amount of timely payments- 81,45%	
				Improved age structure of the tax debt (VAT) - reduced share of the debt older than 12 months in the total tax debt	Share of VAT debt (principal debt) over 12 months old in the total VAT debt at the end of FP - 70%	**Not achieved** VAT debt over 12 months old: 11,170,393,587 Total VAT debt (excluding interest): 12,188,096,817 Share of VAT debt over 12 months in Total VAT debt (excluding interest): 92%	
				Increased number of taxpayers who voluntarily comply	Percentage of timely submitted returns and taxes payment compared to the previous year	**Achieved** VAT-04 Filing Timeliness Rate for 2024: 92.5% VAT-04 Filing Timeliness Rate for 2025: 93.5% The on-time payment rate by number of payments for 2025 stands at 67.32%, representing an increase of 7.52% compared to the previous year. The on-time payment rate by value for 2025 stands at 81.45%, an increase of 5.85% over the previous year	
	Measure 1: Strengthen administrative capacity for better revenue collection and tax compliance			Increasing the amount of the established tax guarantee	Increase the amount of the established tax guarantee by 10% compared to 2024	**Not achieved**	
				Increasing the collection of tax debt based on an established tax guarantee	Increase in the amount of debt collected based on the established tax guarantee by 5% compared to 2024	**Not achieved**	
				Value of collectible core tax arrears in FY end in percent of total core tax revenue collection for FY	VAT debt / VAT income ratio 16%	**Achieved** **VAT debt / VAT income ratio 14%**	
				Increase in the amount of additionally determined tax with audit compared to the previous year	Additional tax assessed per audit program increased per 3% compared to the results from the previous year	**Achieved** **Irregularities identified through audits/controls in 2024:** **2,801,760,971 MKD** **Irregularities identified through audits/controls in 2025: 4,167,785,958 MKD**	
				Increase in the amount of collected additional tax with control compared to the previous year	The amount of additional tax collected with the external control plan increased by 3% compared to the results of the previous year	**Achieved** **Tax Collection from Audits/Controls** **2024 Collections by Tax Type:** **Corporate Income Tax: 245,647,536 MKD**	

	ACTIVITY									
21		1.More effective and efficient management of overdue tax debt	PRO	2028	/	/		**Ongoing implementation-**The Working Group – Project Team, established by a Decision of the Director of the PRO, in accordance with its mandate to introduce a Center of Excellence for the inventory, appraisal, seizure, and sale of property for tax collection purposes, has prepared project documentation providing for: •The design of the functional model for the Center of Excellence, its placement within the internal organizational structure of the PRO, and the division of duties with the Tax Debt Collection Departments in the Regional Directorates and the Large Taxpayers Office. •An assessment of the human resources required for the Center of Excellence, including the necessary professional qualifications. •An assessment of other conditions for the practical operation of the Center of Excellence (office space, software applications, etc.). The proposed model concerns the introduction of a new centralized organizational unit within the PRO – the Tax Enforcement Center. The practical implementation of the Tax Enforcement Center is primarily contingent upon amendments to the acts on internal organization and systematization of job positions within the PRO. These changes are necessary to establish the new unit and to begin human resource recruitment through internal reassignments, new hires, public procurement, etc. By the act on internal organization and systematization of job positions on February 9, 2024, the Tax Enforcement Center was introduced as the Department for Inventory, Appraisal, Seizure, and Public Sale of Movable and Immovable Property, within the Sector for Collection and Debt Management at the General Directorate. An Action Plan has been developed for the implementation and launch of the centralized unit the Sector for Collection and Debt Management at the General Directorate as well as for the full implementation of the Tax Enforcement Center, with a projected start date of January 1, 2027.	Future steps to be taken in the coming period to improve implementation include the formal legal establishment of the Tax Enforcement Center as a new organizational unit within the Public Revenue Office (PRO). This will be integrated into the broader internal restructuring of the PRO, followed by further activities for its practical implementation. Additionally, the delivery of the following outputs is planned: Compliance Improvement Plan – Informal Economy; Compliance Improvement Plan for specific taxpayer segments; Risk Mitigation Plan for risks identified in the Risk Register.	2026-2028
		2.Improving the Compliance risk management	PRO	2028				**Ongoing implementation-In 2025:** •The first Risk Register by tax type was adopted in January 2025 (covering risks for all tax types categorized under the 4 pillars of compliance—in accordance with recommendations from IMF and US Treasury reports). •A Compliance Improvement Plan for the Construction Sector was adopted and its implementation is currently ongoing. •The Manual for the Compliance Risk Management Process was drafted, establishing a fully systematic process for managing compliance risks. •A Compliance Improvement Plan for the Informal Economy was drafted. The aforementioned documents were developed with the assistance of an expert from the US Treasury-OTA. A challenge for the successful realization of further activities remains the trainings for compliance risk management and the development of analytical skills for existing employees in the CRM Unit (Compliance Risk Management Unit), as well as the further staffing of the Unit.		
	Measure 2 : Digital transformation of the PRO with the establishment of an Integrated Tax Information System (ITIS)				Number of institutions with which the Integrated Tax Information System exchanges information	26	**Achieved**			
	ACTIVITY									
22		1.Completion of the remaining modules of the Tax Information System	PRO	2028	/	/	/	**Ongoing implementation-**With the amendments to the Law on the Public Revenue Office, in force since May 3, 2023, the formal organization and structure for implementing the PRO's digital transformation reform have been regulated. In accordance with legal provisions, the Director of the PRO issued a decision on May 18, 2023, establishing a Working Body for the Implementation of the Tax Information System (TIS). Its mandate includes: implementation, upgrading, optimization, execution, regulation, maintenance, control, staff education, and the analysis of all processes and functionalities related to the TIS. To ensure the secure realization of the new ITIS, the Working Body developed a reform program—the ITIS Implementation Program—and established a Reform Committee for more effective monitoring. On October 30, 2024, the Public Revenue Office adopted the PRO Reform Program 2025-2028, titled "Transition to the Digital World." The program aims to transform the PRO into a flexible, efficient, effective, and service-oriented tax administration by digitizing all functions through modern ICT and ensuring a robust and secure information system. The Program's priorities are: •Priority 1: Consolidated Electronic Tax Administration (e-PRO); •Priority 2: Platform for PRO Analytical Capacity; •Priority 3: Security, Stability, and Sustainability of the TIS. The expected results of the Program are changes to be achieved by the end of 2028, through which the PRO will be reorganized according to a new digital business model: •Tax calculation and payment integrated into the "natural environment" of taxpayers, featuring simplified, automated, and paperless processes integrated with other state/public bodies, financial institutions, and relevant stakeholders; •Services made available to taxpayers and other stakeholders through various channels; •Tax revenue management based on compliance, risk management, and informed decision-making; •An integrated PRO information system meeting security, stability, and sustainability standards. Through amendments to the systematization during 2024, conditions were created to formalize the management structure. A Reform Management Unit has been formed and staffed, and a new Strategic and Reform Management Committee has been established, consisting of the Director of the PRO and top tax officials. The reform program envisions the transformation of the existing TIS Implementation Working Body and the Reform Management Unit into a permanent organizational unit—the Digital Transformation Directorate. It will consist of three sectors dedicated to day-to-day reform management and process digitization: 1.Transformation Sector: Business processes and regulation; 2.Digitization Sector: Digitization; 3.Reform Management Sector: Change management and organization. The existing Digitization Sector will be reorganized within the new Digital Transformation Directorate. To implement Priority 1 (Consolidated Electronic Tax Administration), working groups have been formed and have begun preparing tender documentation and technical specifications for the public procurement of the following projects: •Establishment of a Unique Taxpayer Register; •Electronic tax services and e-box; •Processing of tax returns/documents and tax assessment; •Debt and payment management and tax accounting; •Case management (tax procedures); •Organizational and human resource management (ERP/HRM). Under Priority 2 (Platform for PRO Analytical Capacity), activities related to the e-Ongoing implementation-Invoice project took place: •Finalization of technical specifications for the e-Invoice project. •Conducted technical dialogues which resulted in updates to the tender documentation	Future steps to be taken in the coming period to enhance activity implementation and achieve planned results include the implementation, upgrading, optimization, execution, regulation, maintenance, control, staff training, and analysis of all processes and functionalities related to the Tax Information System.	2026-2028
		2.Ensuring IS security (Information System) and smooth functioning of the integrated Tax Information System	PRO	2028				**Ongoing implementation-**Under Priority 3 (Security, Stability, and Sustainability of TIS), a vulnerability/weakness scan of the PRO IT systems (infrastructure, software, etc.) was conducted to increase security, confidentiality, integrity, and information access. This ensures uninterrupted operation and data security for taxpayers and public revenues. In September 2025, the World Bank Project Unit submitted technical specifications for a Data Warehouse and Business Intelligence tools, a Combined Call Center/Help Desk, and the Modernization of Taxpayer Services. According to the draft minutes of the 111th (thematic) session of the Government of the Republic of North Macedonia held on September 16, 2025, regarding the project "Building Effective, Transparent, and Accountable Institutions for Public Financial Management (2023-2027)," the following conclusion was adopted: "The Ministry of Finance is mandated to continue activities regarding the building of effective, transparent, and accountable PFM institutions in cooperation with the World Bank, by examining the possibility of using a new implementation instrument." In the second half of 2025, the Public Revenue Office conducted a public procurement procedure for hardware, software, and other equipment to modernize and increase the security of the PRO IT infrastructure. This included hardware for e-Invoicing and equipment for primary and secondary locations. In parallel with these activities, a working group was formed to work on the consolidation of existing data (paper and electronic) within the PRO for the needs of the TIS. This is a prerequisite for ensuring the smooth migration of data between systems and the transition to new functionalities and business processes.		

PRIORITY 3: Customs				Percentage of physical controls that resulted in the detection of irregularities in relation to the total number of physical controls performed using the new equipment	40% of staff employed in the corresponding units for customs control are trained to use the new equipmentof	**Not achieved**			
				Implemented at least two (2) new IT systems / modules from the EU Multiannual Strategic Plan (MASP) at national level on appropriate hardware (ICS2 and e-commerce)	/	**Partially achieved**			
MEASURE 1: Strengthening joint control mechanisms and capacities in order to combat illegal trade and organized crime				Percentage of staff employed in the corresponding units for customs control trained to use the new equipment	30%	**Not achieved**			
				Conducted appropriate professional trainings for the employees in the operational services for control and prosecution for fight against illicit trade and crime (number of events)	provision of new equipment 2	**Not achieved**			
	ACTIVITY								
23	1.Equipping with modern and reliable control equipment and appropriate training for employees, in order to protect financial and economic interests, guarantee the safety and security of citizens, environmental protection and protection from unfair and illicit trade	Customs Administration	2028	/	/		**Ongoing implementation:**The tender procedure for procurement was completed in 2025.	The delivery of the software and equipment is expected to be realized in 2026, during which appropriate training for the users of the equipment will be organized.	2026
MEASURE 2: Modernization of customs services and their digitalization				Average yearly availability of the new customs IT systems for interconnectivity with the EU systems	95%	**Achieved** 99.6%			
				Conducted appropriate professional trainings for the employees of the Customs Administration and the economic operators for implementation of systems (number of events)	12	**Achieved**			
	ACTIVITY								
23	1. Implementation of modern systems in order to comply with the Multiannual Strategic Plan of the EU (MASP), integration with European systems and procurement of appropriate hardware	Customs Administration	2028	/	/		**Ongoing implementation:**The Customs Administration is also working on introducing a completely paperless environment in the customs procedure, through the implementation of electronic systems from the e-Customs program, i.e. the EU Multiannual Strategic Plan (MASP), which are compatible with the systems and procedures in the European Union.		
MEASURE 3: Adequate monitoring of excise good sand collection of excise duties				Preparation of a legal framework for implementing the TRACK&TRACE system	Signing the necessary Protocols between concerned institutions	**Not achieved**			
	ACTIVITY								
23	1 Establishing a system for marking and tracking tobacco products (cigarettes) through the TRACK&TRACE system	Customs Administration	2028	/	/		**Not commenced**		
PILLAR III: Planning and Budget									
PRIORITY 1: Budget Planning				Reduction of the budget deficit as % compared to the previous year	-4% of GDP	**Achieved** 4.02% of БДП			
MEASURE 1: Improving medium-term planning				Share of total expenditure in GDP	39.1% of GDP	**Achieved** 36.34% of БДП			
	ACTIVITY								
24	1. Medium-Term Fiscal Strategy based on a sectoral approach and with established medium-term expenditure limits	MoF/ Budget and Funds Department	2028	/	/		**Ongoing implementation:**Currently under implementation: With the Fiscal Strategy 2024–2028, the Ministry of Finance initially introduced a sectoral approach, under which each policy being implemented is explained and is mandatorily supported by three output indicators to ensure measurability of success, one of which relates to improving the gender component. The sectoral approach is also included in the Fiscal Strategy 2026–2030, with updated data and indicators for measuring success.		2025
MEASURE 2: Improving sectoral approach of budget planning and development and implementation of bylaws				Number of First level of budget users and main budget users	About 90	**Partially achieved** 85 budget users			
	ACTIVITY								
26	1.Preparing and implementing OBL bylaws	Ministry of Finance	2028	/	/		**Ongoing implementation:**Currently being implemented: During 2024, the Fiscal Policy Statement for 2024–2028 was adopted		
27	2.Preparing and implementing several types of classifications - administrative/organizational, economic, program, functional classifications, as well as classification of sources of financing	Ministry of Finance/ Budget and Funds Department	2028	/	/		**Ongoing implementation:**Currently under implementation: In December 2024, by-laws were adopted for the classifications: administrative/organizational, economic, program, and functional. In December 2025, amendments and supplements were adopted to the program classification, as well as amendments to the administrative/organizational, economic, and functional classifications		
28	3. Strengthening of capacities, training of employees of the MoF and budget beneficiaries	Ministry of Finance/ Budget and Funds Department	2028				**Ongoing implementation:**Currently under implementation: During September 2025, in cooperation with the Office of Technical Assistance of the Ministry of Finance and the U.S. Treasury, a training was conducted on the topic of Program Budgeting. This training was intended both for employees of the Ministry of Finance – Budget and Funds Sector, as well as for first-line budget users		

	MEASURE 3: Introducing performance based budget				Share of capital in total expenditures	11,8%	**Partially achieved** 7,53%			
		ACTIVITY								
29		1.Developing of multi-year indicators for measuring the success in the implementation of budget policies	Ministry of Finance and Government	2028	/	/		**Ongoing implementation:**Currently under implementation: During 2025, trainings were conducted for the development of output indicators at the program level.		
30		2. Preparation of procedures for monitoring the impact of performance indicators on sectoral policies	Ministry of Finance and Government	2028				**Not commenced**		
	MEASURE 4: Spending review				Share of current in total expenditures in GDP	35%	**Achieved**			
		ACTIVITY								
29		1. Build capacity at the MoF and line ministries for conducting Spending Reviews on a regular base	Ministry of Finance and Government	2028	/	/		**Ongoing implementation:**Currently under implementation: A Cost Review Unit has been established with 2 employees.		2025
		2. Prepare and adopt methodology with defining criteria and procedures for conducting Spending review		2028				**Not commenced**		2025
30		3. Spending review as a basis for appropriate budgeting for the next mid-term period	Ministry of Finance and Government	2028				**Not commenced**		
PRIORITY 2: Strengthened Public Investment Management					PEFA score for indicator PI - 11.Public Investment Management 11.1. Economic analysis of investment projects 11.2. Investment project selection 11.3. Investment project costing 11.4. Investment project monitoring	/	/			
	MEASURE 1: Efficient coordination and development of public investment management processes				1) Staff capacity of the PIM Department in the MoF 2) Supporting legal framework for PIM adopted	/	**Partially achieved** 40% of the planned staff are engaged (6 employees) Two acts have been adopted (Decree on Public Investment Management and Manual for the Public Investment Management Process)			
		ACTIVITY								
31		1.Strengthen the supporting legal framework for PIM	MoF	2028	/	/		**Completed:** The Decree on Public Investment Management was adopted at a government session held on April 8, 2025, and published in the Official Gazette of the Republic of North Macedonia, No. 78 on April 11, 2025. The Ministry of Finance prepared a Manual for the public investment management process, which was published on its official website in July 2025.		
31		2.Strengthen the institutional capacity of the MoF in the PIM system	MoF	2028	/	/		**Ongoing implementation:**The Department for Public Investment Management has 6 employees out of the 14 planned. No new recruitments were carried out in 2025. In order to strengthen the institutional capacity of the Department for Public Investment Management, a training-of-trainers session was held in April 2025 for the employees of the Ministry of Finance.	Recruitment of the planned number of employees (3 new employments in 2026).	2028
	MEASURE 2: Established single pipeline of appraised capital public investment projects				Single pipleline of appraised and prioritized public investment projects established	/	**Achieved** Adopted and published Guide for the preparation of a feasibility study Standard criteria for determining the priority of projects are set out in the PIM Decree . 3 trainings organized for employees of the Ministry of Finance and budget users, PE/JSC, LSGU			
		ACTIVITY								
32		1.Develop general public investment project appraisal methodology	MoF	2025	/	/		**Completed:** In July 2025, the Ministry of Finance prepared a Guideliness for Preparing a Feasibility Study and published it on the official website.		
		2.Establish standard criteria for project selection/ prioritization		2025				**Completed:**The criteria for determining the priority of public investment projects are prescribed by the Decree on Public Investment Management adopted by the Government on 08 April 2025, published in the Official Gazette of the Republic of Macedonia, No. 78 of 11.04.2025. The Government, upon the proposal of the Ministry of Finance, should additionally determine the method of determining points for the criteria for giving priority to public investment project proposals.		
		3. Provide training to MoF professionals on project appraisal and review of preinvestment studies		2028				**Completed:** The first training was held in June for central government and municipal employees, and the second training for municipalities was held in December. The trainings were conducted with technical assistance provided through the World Bank (financed by the EU).		
33		4. Provide training to budget users/SoEs/LSGUs professionals on project formulation appraisal and selection	MoF	2028	/	/		**Completed:**In December 2025, training aimed at municipalities was held in December.		
	MEASURE 3: Efficient and effective monitoring of capital investments				1)Created database of public investment projects from which to select budget candidates and monitor financial implementation of projects 2)Number of monitoring reports for the public investment portfolio prepared	/	**Achieved**			
		ACTIVITY								
34		1. Introduce procedures for risk-based centralized monitoring	MoF	2028				**Completed:**Procedures for centralized risk-based monitoring were introduced with the new Public Investment Management Regulation adopted in April 2025.		
35		2. Develop a short-term IT solution for PIM	MoF	2025				**Completed:**An Excel-based IT solution for public investment management - PIMIS was developed, installed and tested by the Ministry of Finance. Data input from the PCM and reports for monitoring public investment projects are currently being entered.		

	PRIORITY 3: Strengthen the accounting of budgets and budget users			Adoptig new law and by-laws for accounting of budgets and budget users	Analysis of the existing legal framework for accounting of budgets and budget users for compliance with the new Budgets Law	**Not achieved**			
	MEASURE 1: Harmonization of the legal framework for accounting of budgets and budget users with the new Budgets Law			Harmonized legal framework of accounting of budgets and budget users with the new Budgets Law	Analysis of the existing legal framework for accounting of budgets and budget users for compliance with the new Budgets Law	**Not achieved**			
	ACTIVITY								
37	1. Revision of the existing legal framework and detecting the need for the adoption of a new regulation for accounting of budgets and budget users	FITD	2025	/	/		**Not commenced:** Activities related to the analysis of the existing legal framework (Law) for the accounting of budgets and budget users, aimed at harmonization with the new Budget Law, will commence during 2026.	Formation of a working group that will work on the relevant analysis through which the need for amendments and supplements, or the adoption of a new Law on Accounting of Budgets and Budget Users, will be determined.	The activity is ongoing.
38	2. Revision of the existing by laws and detecting the need for the adoption of a new bylaws for accounting of budgets and budget users	FEZ	2025	/	/		**Not commenced:** Activities related to the analysis of the existing legal framework (By-law) for the accounting of budgets and budget users, aimed at harmonization with the new Budget Law, will commence during 2026.		
	MEASURE 2: Strengthening the accounting system of budgets and budget users by building of capacities of accountants employed in the public sector			Percentage of accountants employed in the public sector who will attent appropriate training for legal framework of accounting of budgets and budget users in order to ensure better financial reporting	10% of accountants employed in the public sector who will attent appropriate training for legal framework of accounting of budgets and budget users	**Not achieved**			
	ACTIVITY								
40	1.Training for accountants employed in the public for to the legal framework for accounting of budgets and budget users	Government	2028	/	/	/	**Not commenced**		
41	2.Training for accountants employed in the public sector for to the by laws for accounting of budgets and budget users	Government	2028	/	/	/	**Not commenced**		
	PRIORITY 4: PFM at Local Level			Percentage of increased municipal revenues	90,5%	**Not achieved 84,6%**			
				Percentage of municipalities that have published financial documents on their websites (annual, semi-annual and quarterly)	80%	**Achieved 80,2 %**			
	MEASURE 1: Improving fiscal capacity and increasing municipal revenues			New law on financing of local self-government units	Draft law on financing of local self-government units	**Not achieved**		The activity is postponed, depending on the start of the implementation of the new Budget Law and the start of operation of the IFMIS system.	2027
				By-laws of the new Law on financing of local self-government units	/	**Not achieved**		The activity is postponed, depending on the start of the implementation of the new Budget Law and the start of operation of the IFMIS system.	2027
				Medium-term budget planning	/	**Not achieved**		The activity is postponed, depending on the start of the implementation of the new Budget Law and the start of operation of the IFMIS system.	2027
				Number of trained employees in municipalities	81	**Not achieved**			
	ACTIVITY								
37	1.Addoption of a New Law on Financing Local Government Units	FITD	Q4/26	/	/		**Not commenced**		
38	2. Number of trained employees in municipalities	FEZ	Q4/28	/	/		**Not commenced**		
	MEASURE 2: Financial discipline, better transparency and accountability of local government			Adopted procedures for financial instability of municipalities	/	**Not achieved**			
				Number of municipalities out of the total number of municipalities (81) that have published financial documents (annual, semi-annual and quarterly reports) on their websites	73	**Partially achieved 69%**			
	ACTIVITY								
40	1. Preparation of a procedure for financial instability of municipalities	Government	Q2/26	/	/	/	**Not commenced**	This activity is not planned in 2025	2027
41	2. Monitoring the transparency of municipalities	Government	Q4/28	/	/	/	**Completed**		

	PILLAR IV: Public Procurement									
	PRIORITY 1: Public Procurement Policy			Percentage one bid tenders	≤30%	**Not achieved 32,99 %**				
				Percentage cancelled procedures	≤18,5%	**Not achieved 20,44 %**				
	MEASURE 1: Improving the cooperation among the key institutions in the public procurement system			Held working meetings	Held at least 2 meetings	**Achieved (2 meetings held)**				
	ACTIVITY									
	1.Regular communication and coordination of Advisory group of the key institutions in the procurement system	PPB	Q4 2028	/	/	/		**Achieved:** 2 working meetings of the Advisory group held	Continuation of cooperation according to the planned dynamics	2026
	MEASURE 2: Improved implementation of the Law on Public Procurement			Use of e-auctions in Tenders	Max. 40%	**Achieved (22%)**				
				Use of E-market system	Min. 500	**Achieved (644)**				
				Use of MEAT in value	Min. 15%	**Not achieved**				
	ACTIVITY									
	1.Development of guides and tools for support of contracting authorities in improved implementation of the Law on Public Procurement	PPB	Q4/2025	/	/	/	/	**Achieved:** Implemented activities according to PPB's Action Plan	Realisation of activities for improved implementation of the Law on public	
	MEASURE 3: Introducing new system for education within PPB			Established new system for education within PPB	/	/				
	ACTIVITY									
	1. Analysing the possibilities for introducing new e - tools for education	PPB	Q4/2025	/	/	/	/	**Not commenced:** Measure/Activity realisation dependes on the amendment of the Law; realisation is expected in 2026	Realisation of activities related to establisheing new system for education within PPB	2026
	PRIORITY 2: Public Private Partnership and Concessions on goods of general interest			1)Number of concluded agreements for establishing a public-private partnership 2) Effective and consistent implementation of the obligations of the contracting parties in accordance with the agreements for establishment of public-private partnership.	Adoption of a legal and economic framework for public-private partnership and implementation of all prerequisites for the implementation of public-private partnership policies					
	Establishment of the Unique Electronic System Public Private Partnership System (UESPPP)			1)Commissioning of the UESPPP and the Register of awarded contracts for the establishment of a public-private partnership and its functionality 2)Percentage of PPP contracts whose progress in implementation is regularly reported to the system within the deadlines provided by the law 3)Percentage of initiated procedures for awarding a contract for establishing a public-private partnership, which have not been completed.	After the adoption of the Law on Public Private Partnership, activities will begin to secure financial resources for the establishment of the UESPPP and the preparation of technical documentation.	**Not achieved**				
	ACTIVITY									
45	1. Selection of an IT company for preparation of the Improving and upgrading the UESPPP and a Register of awarded contracts for the establishment of public-private partnership	MEMMR	/					**Not commenced**		2027/2028
	2. Preparation and implementation of the software solution for the establishment of public-private partnership and a Register of awarded contracts the establishment of public-private partnership	MEMMR	2026					**Not commenced:** Not started. The adoption and effective implementation of the Law on Public Private Partnership is closely linked to the establishment of the UESPPP, it is necessary to provide financial resources for the procurement of the UESPPP and the Register of Awarded Contracts for its establishment.		2027/2028
	MEASURE 2: Completing the legal and regulatory framework in the field of public-private partnership and Concession on goods of general interest			Adoption of the bylaws that will arise from the Law on public private partnership by the Minister of energy, mining and mineral resources. Adoption of the bylaws that will arise from the Law on concession on goods of general interest by the Minister of finance.	Preparation of 12 draft bylaws that stipulate in more detail the rules for: the Register of awarded contracts for the establishment of public-private partnerships, the EESPP, the criteria for the preparation of PPP projects, the Feasibility Study, the PPP agreement, planning, reports, etc.	**Not achieved**				
	ACTIVITY									
46	1.Preparation and adoption of 13 bylaws that will arise from the Law on Public Private Partnership and preparation of the Guideline with exemples of PPP projects	MEMMR	2026	/	/	/		**Ongoing implementation:**The draft Law on Public Private Partnership has been harmonized with the relevant institutions and submitted to the government procedure. After the adoption of the law, the procedure for drafting the bylaws will begin.		2026
	2. Preparation and adoption of 2 bylaws that will arise from the f the Law on Concession on goods of general interest	MoF	2026					**Not commenced**		2026
	MEASURE 3: Strengthening and developing the capacities of the Ministry of Energy, Mining and Mineral Resources in the area of public-private partnership			Increasing the capacity and efficiency of the Department of Public Private Partnership and Concessions Unit	Employment of 2 new civil servants - ratio of approved financial resources for employment from the Ministry of Finance versus the real employment needs in the Department for Public Private Partnership and Concessions and their training in the area of public private partnership	**Not achieved**				
	ACTIVITY									
	1. Increasing the number of employees in the Ministry of Energy, Mining and Mineral Resources in the area of public-private partnership and their professional training and development in order to ensure consistent implementation of the law in this area.	MoE	2026					**Not commenced:** Employment of 3 new civil servants – approved by the Ministry of Finance in proportion to the real employment needs in the Ministry of Energy, Mining and Mineral Resources as the competent authority in the field of public-private partnership and concessions and their training in the field of public-private partnership.		2026/2027

	PILLAR V : Public finance digitalisation and continuous learning								
	PRIORITY 2: Public Finance Academy			Number of successfully completed trainings in accordance with the Annual Training Program and ad hoc trainings.	10 realized trainings	**Achieved** The target set for 2025 has been exceeded, with a total of 36 training sessions delivered.			
	MEASURE 1: Digital presence of the Public Finance Academy			Established online platform	Established online platform	**Not achieved**			
				Developed video tutorials and guidelines	Developed video tutorials and guidelines	**Not achieved**			
				Organized and implemented online trainings	/	**Not achieved**			
				Number of published blogs and articles on topics in the field of public finance	4	**Achieved**			
	ACTIVITY								
54	1. Developing an online platform	MoF	Q4/2025	/	/		**Not commenced:** The implementation of the activity for developing an online platform was postponed due to limited financial capacities and the absence of secured support from partners and donors.	Next steps will focus on identifying and engaging potential donors to support the implementation of this activity.	2026
	2. Development of video tutorials and guidelines	MoF	Q4/2025				**Not commenced:** The development of video tutorials and guidelines is directly linked to the establishment of the online platform and will be implemented following its establishment.	Next steps will focus on identifying and engaging potential donors to support the implementation of this activity.	2026
55	4.Social Media Presence for Increased Transparency and Education in Public Finance	MoF	Q4/2028	/	/		**Completed:** A total of 10 announcements were published on the website of the Ministry of Finance**.**		
	Measure 3: Community engagement and outreach			Developed Communication Strategy	Developed Communication Strategy	**Achieved**			
				Conducted end-of-year meeting „All Together“	1	**Partially achieved**			
	ACTIVITY								
58	1.Developing a communication strategy	MoF	Q4/25	/			**Completed:** In 2025, a Communication Strategy with an Action Plan was developed. The document was prepared with expert support within the IPA III project "Support to the Implementation of the Public Finance Management Reform Programme 2024–2027."		
	2.Anual meeting: „All Unite“		Q4/28	/			**Ongoing implementation:** The staff of the Public Finance Academy prepared a concept for the implementation of the event, defining its objectives, format, and the scope of stakeholder participation. The concept was submitted to the management for consideration, thereby creating the conditions for a subsequent institutional decision and the realization of the activity.		2026
	Measure 4: Sustainable Finance in the public sector			Conducted Trainer of Trainers Trainings for employees of the Public Finance Academy	realized 1 training	**Achieved**			
	ACTIVITY								
58	1.Training of Trainers for employees of the Public Finance Academy	MoF	Q4/28	/			**Completed:** Within the framework of this measure, in the fourth quarter of 2025 one comprehensive four-day training in the field of sustainable finance was organized, with the support of the IPA III project "Support to the Implementation of the Public Finance Management Reform Programme 2024–2027." In addition, with the support of CEF Ljubljana, two online trainings in the field of sustainable finance were delivered, with the participation of staff from the Public Finance Academy.		
	PILLAR: VI - Public Internal Financial Control								
	PRIORITY 1: Financial Management and Internal Control			Percentage of institutions that have applied the guidelines for risk management in their operations	55	**Partially achieved** **76%**			
				Percentage of institutions that have delegated authorities and responsibilities for financial management and control	50	**Partially achieved** **52%**			
				Percentage of implemented recommendations given during quality checks	50	**Partially achieved**			

	MEASURE 1: Creating the conditions for improvement of a system of financial management based on risk management			Prepared Simplified guideline for risk management process	Prepared and promoted of the new more practical and simplified guideline for risk management process	**Achieved**			
				Prepared practical guideline for managerial accountability	Prepared and promoted of the new practical guideline for managerial accountability	**Partially achieved**			
				Strengthen the capacities of CHU	Employed a total of 10 people Trainings 4	**Partially achieved**			
	ACTIVITY								
59	1. Strengthen the capacity of the CHU to monitor and report on the functioning of the overall internal control system	MoF	Q4/28	/	/		**Ongoing implementation:**In the Strategic Plan of the Ministry of Finance 2025-2027, it is planned to increase the human resources of the CEH. Within the framework of IFMIS, it is planned to have a special module through which the Annual Report for the PIFC system will be prepared.	Further harmonization of the draft versions of the by-laws	Q4/28
60	2. Preparation of the methodology for specific Financial Management and Control issues	MoF	Q4/28	/	/		**Ongoing implementation:**A new Methodology for Risk Management in Public Entities has been prepared and is in use**.**The draft version of Managerial Accountability guidline is prepared.		
	PRIORITY 2: Internal Audit			Number of internal auditors in the ministries	50	**Partially achieved** **36**			
				percentage of implemented recommendations given during quality checks	50	**Partially achieved**			
				Percentage of certificated internal auditors	45	**Partially achieved** 43%			
				Percentage of implemented recommendations	68	**Partially achieved** **65.4%**			
	MEASURE 1: Strengthening the quality of work of the internal audit units in the ministries			Organized trainings for internal auditors;	5	**Achieved**			
				Organized certification of internal auditors.	1	**Partially achieved**			
				Strengthen the capacities of CHU	Employed a total of 10 people, Trainings 4	**Partially achieved**			
	ACTIVITY								
62	1. Improving of Human Resources capacities of Internal Audit Units in the Ministries through adequate staffing and Continuous Professional Development at the internal auditors	MoF	Q4/28	/	/		**Ongoing implementation:**With the adoption of the Annual Report on the Functioning of the Public Internal Financial Control System for 2024, the Government adopted two conclusions that tasked public entities with strengthening the capacities of their internal audit units.	CEH will continuously undertake appropriate activities, according to the level of realization of the activity.	Q4/28
63	2. Strengthening CHU's capacities for checking the quality of operations of the internal audit units	MoF	Q4/28	/	/		**Ongoing implementation:**In the Strategic Plan of the Ministry of Finance 2025-2027, it is planned to increase the human resources of the CEH. Within the framework of IFMIS, it is planned to have a special module through which the Annual Report for the PIFC system will be prepared.	Further harmonization of the draft versions of the by-laws	Q4/28
	MEASURE 2: Improving the abilities to carry out performance and IT internal audits in the public sector institutions			Prepared Guideline for performance internal audits	Prepared and promoted Guideline for performance internal audits	**Achieved**			
				Prepared Guideline for IT internal audits	Prepared and promoted Guideline for IT internal audits	**Achieved**			
				Increased number of conducted performance audits and IT audits	10	**Not achieved**			
	ACTIVITY								
65	1.Preparation and promotion methodology for specific type of internal audits	MoF	Q4/2025	/	/		**Achieved:** Guidelines for conducting performance and IT audits have been prepared, published on the website of the Ministry of Finance and shared with internal audits. A workshop was held for the draft version of these guidelines, and additional workshops on this topic will be organized in the future.		
	PILLAR VII: External Control and Parliamentary Oversight								
	PRIORITY 1: External Audit			Established amount of funds that have not been paid in the Budget of RNM	≥ 16,000 euros	**Achieved**			
				Established amount of funds that have not been paid into the Budget of the municipalities and the city of Skopje	≥ 8,000 euros	**Achieved**			
				Established amount of funds during the awarding of contracts for public procurement where irregularities were identified with the audits;	≥ 8,100 euros	**Achieved**			
				Number of covered audits of LGUs and the City of Skopje, PE at the central and local level and trade companies in state ownership	≥ 14	**Achieved**			
	MEASURE 1: Strengthen the legal framework for external audit			Adopted amendments to the Constitution of RNM regulation of the SAO as a constitutional category	/	**Partially achieved**			
				A new State Audit Law aims to strengthen the financial and operational independence of the SAO has been approved and adopted by the RNM Assembly	A new draft Law on State Audit to strengthen the financial and operational independence of the SAO has been approved and adopted by the RNM Assembly.	**Partially achieved**			

	ACTIVITY								
71	1. Approval of constitutional changes to achieve constitutional independence of the SAO in accordance with the principles, standards and guidelines of INTOSAI	SAO	Q4/2028	/	/		**Ongoing implementation:**Within the framework of the Twinning project, draft amendments to the Constitution of the Republic of North Macedonia were prepared, aimed at regulating the State Audit Office as a constitutional category. The draft amendments have been submitted to the Government of the Republic of North Macedonia, the Ministry of Justice, and the Assembly of the Republic of North Macedonia for further consideration.	The initiation of the procedure for the adoption of the constitutional amendments by the Assembly is expected.	K4/2028
72	2. Approval of external audit legal framework aimed at strengthening financial and operational independence of SAO in line with INTOSAI principles, standards and guidelines	SAO	Q4/2025	/	/		**Ongoing implementation:**Within the framework of the Twinning project, a Draft State Audit Law was prepared. In 2022, opinions on the draft law were obtained from the Twinning partners—the Supreme Audit Institution of the Republic of Croatia and the Supreme Audit Institution of the Republic of Bulgaria—as well as from the European Commission's Budget Department and INTOSAI Development Initiative (IDI). The Draft State Audit Law was submitted by the Auditor General to the authorised proposer, namely the Ministry of Finance, for further procedure. In February 2023, the Ministry of Finance published the draft law on the ENER portal for public consultation and simultaneously forwarded it to the Ministry of Public Administration and the Secretariat for Legislation for opinions. Comments were received from the competent institutions, which were addressed by the State Audit Office. Subsequently, in July 2025, the Auditor General submitted a revised Draft State Audit Law to the Ministry of Finance for further procedure.	The initiation of the procedure for the adoption of the State Audit Law by the Assembly is expected.	K2/2026
	MEASURE 2: Strengthening the institutional capacity and human resource capacities of the SAO			Percentage of implementation of SAO Development 2023-2027	Percentage of implementation of the activities determined in the Strategy for the Development of SAO 2023 - 2027 - 60%	**Achieved**			
				Percentage of audit scope of total public expenditures	≥60.5%	**Achieved**			
				Perception of stakeholders' on SAO added value	Stakeholders' perception of the added value of SAO-81%	**Achieved**			
	ACTIVITY								
73	1. Implementation of adopted new and improved SAO strategic, planning and methodological acts of the SAO and adoption of new methodological acts	SAO	K4/2028	/	/		**Completed:** In accordance with the SAO Development Strategy 2023–2027, the State Audit Office continuously prepared and adopted new methodological acts, including those developed in cooperation with other Supreme Audit Institutions and international organisations. Moreover, a new Risk Management Strategy for the period 2025–2028 was adopted, accompanied by supplementary methodological acts, including: -Guidelines for Strategic and Annual Audit Planning; -Guidelines for Auditing the Implementation and Impact of the National Development Strategy and the Sustainable Development Goals in the Republic of North Macedonia; -Guidelines for Corruption Risk Assessment at Central and Local Level and in Specific Sectors; and - Performance Audit Guidelines on the Management of Public Investments.	The State Audit Office will continue with the implementation of strategic acts and the adoption of new methodological acts, in line with the requirements of the legal framework, international standards, and good practice.	K4/2028
74	2. Strengthen the capacity to conduct audits	SAO	K4/2028	/	/		**Completed:** Activities aimed at strengthening capacities for conducting audits were implemented in accordance with the SAO Annual Continuous Professional Development Plan for 2025 and the Human Resources Development Strategy of the State Audit Office for the period 2024–2027.	The State Audit Office will continuously strengthen its capacities for conducting audits.	K4/2028
75	3. Increasing the visibility of the SAO and communication with the stakeholders	SAO	K4/2028	/	/		**Completed:** Activities aimed at increasing the visibility of the State Audit Office and enhancing communication with stakeholders were implemented in accordance with the SAO Communication Strategy for the period 2024–2027. During 2025, the State Audit Office undertook activities for the implementation of the Communication Strategy 2024–2027, with a focus on improving the presentation of audit activities and results, strengthening internal and external communication within the SAO, and expanding the range of stakeholders to whom final audit reports are disseminated.	The State Audit Office will continue to consistently improve its internal communication processes and communication with stakeholders.	K4/2028
PRIORITY 2: Parliamentary oversight				Percentage of external audit recommendations for which corrective measures have been taken	≥72%	**Achieved**			
	MEASURE 1: Establishing a mechanism for reviewing the audit reports and the measures taken following the recommendations given in the audit reports in the RNM Assembly			Number of audit reports submitted and scrutinized by the Assembly	Number of audit reports reviewed by the Assembly. ≥3	**Achieved**			
	ACTIVITY								
76	1. IImplementation of concluded Memorandum of Cooperation between the Assembly and the SAO.	SAO	K4/2028	/	/	/	**Ongoing implementation:**The State Audit Office, in cooperation with the Assembly of the Republic of North Macedonia, continuously undertakes activities aimed at the implementation of the Memorandum of Cooperation. In 2025, the State Audit Office submitted several consolidated audit reports to the Assembly. At the same time, a public hearing was organised on one final audit report on the topic "Implementation of the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence (Istanbul Convention), with a specific focus on specialised services for women victims of gender-based violence and domestic violence", as well as on the Annual Report on the conducted audits and the work of the State Audit Office and the Final Report on the audit of the State Core Budget.	Full implementation of the Memorandum of Cooperation is expected following the adoption of the new State Audit Law.	K4/2026
77	2. Preparation of final/proposal procedures in the SAO and the Assembly for submission and review of audit reports and other documents.	SAO	K4/2028	/	/	/	**Ongoing implementation:**Procedures of the Assembly for the mechanism for reviewing audit reports have been prepared, covering the entire process from the receipt of audit reports and accompanying documents, through the adoption of conclusions, to the follow-up on the implementation of recommendations. These procedures are expected to be adopted following the enactment of the new State Audit Law and the alignment of their content with the provisions of the Law. The Draft State Audit Law, prepared by the Auditor General, has been submitted to the authorised proposer, namely the Ministry of Finance, for further procedure.	The adoption of the new State Audit Law is expected, followed by the alignment of the content of the procedures with the Law and their subsequent adoption.	K4/2026

	MEASURE 2: Strengthening the institutional capacities for reviewing audit reports in the Assembly of RNM			Number of MPs trained on the role of the SAO	Number of MPs trained on the role of the SAO – 10.	**Not achieved**			
	ACTIVITY								
79	1. Preparation of a Training Plan for MPs and employees of the RNM Assembly Service in order to facilitate the understanding of the audit reports and preparation for a debate on the audit reports.	SAO	K4/2028	/	/	/	**Ongoing implementation:**The activity planned within the Twinning project was cancelled following official notification from the Assembly. The main reason for the non-implementation of the activity was the absence of a signed Memorandum of Cooperation at the time when the activity was scheduled to be carried out. The Memorandum of Cooperation was signed at the closing of the project, during the Final Conference held on 21 October 2022. At the end of 2025, the State Audit Office submitted proposals for training activities, which were accepted and will be included in the Annual Training Plan for Members of Parliament and parliamentary staff for 2026.	The preparation of the Training Plan for Members of Parliament and employees of the Assembly Service, aimed at facilitating a better understanding of audit reports and preparing for debates on audit reports, will be carried out following the adoption of the new State Audit Law.	К4/2026
80	2..Conducting trainings in accordance with the Training Plan for the Members of Parliament and employees of the RNM Assembly Service in order to facilitate the understanding of the audit reports and preparation for the debate on the audit reports.	SAO	K4/2028	/	/		**Ongoing implementation:** Although a formal Training Plan has not yet been prepared, activities for training parliamentary staff have been initiated in cooperation with the National Democratic Institute (NDI).	To continue the training activities for the Assembly staff	К4/2026
81	3. Implementation of activities for strengthening cooperation with Committee on Financing and Budget, Parliamentary Institute and the Parliamentary budget office of the RNM Assembly.	SAO	K4/2028	/	/		**Completed:** With the support of the National Democratic Institute, several working meetings, workshops, and training activities were organised in 2025, with the participation of representatives of the State Audit Office and the Assembly.	Да се продолжи со активностите за зајакнување на соработката со Комисијата за финансирање и буџет, Парламентарниот институт при Собранието и Парламентарната буџетска канцеларија на Собранието.	On a continuous basis.