

STANDARD TWINNING PROJECT FICHE

Support to the State Statistical Office for capacity building and improving compliance of statistics with EU standards

Abbreviations:

IPA	Instrument for Pre-Accession Assistance
ICT	Information and Communication Technology
TAIB	Transition Assistance and Institution Building Component
EU	European Union
ESS	European Statistical System
NBRM	National Bank
NDP	National Development Plan
PEP	Pre-Accession Economic Programme
EC	European Commission
ESA	European System of Accounts
COFOG	Classification of the Functions of Government
NACE Rev.2	Classifications of Activities
MIPD	Multi-Annual Indicative Planning Document
SSO	State Statistical Office
R&D	Research and Development
MS	Member State
BC	Beneficiary Country
DWH	Data Warehouse
STS	Short-Term Statistics
SBR	Statistical Business Register
LCS	Labour Cost Survey
LCI	Labour Cost Index
SES	Structure of Earnings Statistics
CFCDD	Central Financing and Contracting Department
PL	Project Leader
RTA	Resident Twinning Adviser
PSC	Project Steering Committee
NERP	National Economic Reform Programmes
VA	Value added
GBAORD	Government budget appropriations or outlays for research and development
CIS	Community Innovation Survey

1. Basic information

- 1.1 Publication reference notice** EuropeAid/ 137-856/IH/ACT/MK
- 1.2 Programme:** Instrument for Pre-Accession Assistance (IPA) – National Programme for 2012 for Transition Assistance and Institution Building Component (TAIB)
- 1.3 Twinning Number:** MK 12 IB ST 01
- 1.4 Title:** Support to the State Statistical Office for capacity building and improving compliance of statistics with EU standards Statistics
- 1.5 Sector:** Private Sector Development
- 1.6 Beneficiary country:** Beneficiary Country¹

2. Objectives

1. Overall Objective

The overall objective to which this Project contributes is the improvement of decision making by government institutions, businesses and citizens in the country, through producing exhaustive and comparable statistics in line with EU and international standards, aiming at further advancing of democracy and market oriented economy.

2.2 Project purpose

The project purpose is to develop the capacity of the State Statistical Office to improve compliance with the EU acquis in statistics, with a focus on national accounts, economic statistics and social statistics.

2.3 Contribution to National Development Plan/Cooperation agreement/Association agreement/Action plan

The Accession partnership highlighted the further harmonization of statistics with European Statistical System (ESS) standards as both short-term and medium term priorities (Chapter 18). Among those, the Council declares, “Further develop all areas of statistics, achieve full harmonisation in key areas in terms of frequency, scope, classifications, timeliness and quality and put in place a uniform management and production system”.

The link with National Programme for Adoption of EU Acquis, 2015-2017, is the general framework for the planned activities on compliance with European standards, where the

¹ As per Financing Agreement concerning the National Programme Transition Assistance and Institution Building – TAIB 2012 from the Instrument for Pre-Accession Assistance under the Transition Assistance and Institution Building Component –entered into force on 2 October 2013

Chapter 18 refers to Statistics, related to the improving of the availability, quality, comparability and timeliness of statistical data towards their aligning with the statistical acquis.

Also, Article 82 from the SAA is referring to the development of an efficient statistical system harmonized with European standards.

Link with National Development Plan

The National Development Plan (2007-2009) highlighted the ‘insufficient integrated systems of data collection and management of registers, insufficient analysis capacities to support creation and implementation of policies’ as one of the weaknesses in the country. The NDP recognised that appropriate statistics is an essential element of development planning that needs further strengthening.

Link with national/ sectoral investment plans

The objectives of the project follow the priorities of the Strategic Plan of the State Statistical Office 2015-2017, with which the full capacity development of SSO in line with EU acquis is programmed. National Economic Reform Programmes (NERP) aims at preparing the country for participation in the multilateral surveillance and economic policy coordination by the EU. Regarding statistics, the activities foreseen in the NERP confirm that national statistics are crucial for developing appropriate policies. The NERP has identified the following necessity:

- In accordance with ESA 2010, from the point of view of the quality of data to be presented, the activities to be undertaken in the coming medium-term period:
 - a) Implementation of Commission Regulation 1500/2000 with respect to general government expenditure and revenues, Regulation 2516/2000 as concerns taxes and social contributions, Regulation 1221/2002 as regards principles of ESA and regional accounts with respect to taxes and contributions, Regulation 113/2002 with regard to revised classifications of expenditure according to purpose (COFOG), Regulation 2558/2001 as regards reclassification of settlements under swaps arrangements, related to Protocol on the excessive deficit procedure, as well as Council Regulation 479/2009 on the application of the Protocol on the excessive deficit procedure, which will provide for full implementation of data and their submission to Eurostat;
 - b) Undertaking activities related to the implementation of important topics according the action plan developed on implementing ESA 2010 (European System of Accounts)
- Efficient labour market services by further modernisation and improvement of both quantity and quality of services, improvement of procedures for exchange of data;.

3. Description

3.1 Background and justification

The country obtained the status of EU Candidate country in December 2005 and is eligible for all components of the Instrument for Pre - Accession Assistance, as stated in IPA Council Regulation (EC) No. 1085/2006, adopted on 17 July 2006.

The progress report (2015) makes the following evaluation: "The country is moderately prepared in the area of statistics. Some progress was achieved in the past year, notably in the alignment of sectoral statistics with EU standards.

Continued efforts are needed to improve the quality of data in the areas of macro-economic and social statistics as well as for full harmonisation with the EU *acquis*. In addressing the shortcomings outlined below, in the coming year, the country should in particular:

- further strengthen human and financial resources of the State Statistical Office;
- further align statistics with the European System of Accounts 2010;
- transmit tables for the Excessive Deficit Procedure (EDP) to Eurostat."

3.1.1 National Programme for the Beneficiary Country under the IPA Transition Assistance and Institution Building Component for 2012

The programme's strategic reference is the Multi-Annual Indicative Planning Document (MIPD) 2011-2013, prepared by the Government of the Beneficiary country, and officially adopted by the European Commission. The overall objective of EU financial assistance to the Beneficiary Country is to support its efforts for reform and towards compliance with EU law in order that it may become fully prepared to take on the obligations of membership to the European Union. Financial assistance under IPA Component I aims at providing for Transition Assistance and Institution Building which is needed to meet this objective.

The following priorities for IPA support over the period covered by this MIPD have been identified:

- Support the economic and social development of the country
- Improve good governance and reduce corruption
- Ensure non-discrimination and respect of human rights

The implementation of the measures of the MIPD includes: direct grants, supply contracts, service contracts, twinning, etc.

3.1.2 Current state of play concerning official statistics

Official statistics are a tool for national and international policy makers, businesses and the society at large, when making decisions and measuring their effect. Consequently they are an essential basis for the development of democratic and market oriented societies.

The main actor and co-ordinator of official statistics in the country is the State Statistical Office, which produces more than 70% of the official statistics. The main duties and the scope of activity of the institution are defined in State Statistics Act.

Official statistics play a dual role in the Stabilisation and Association Process and in the EU accession process. First, an individual chapter of the *acquis* defines the harmonisation of statistics with EU standards and rules and has to be implemented in the pre-accession period. Second, official statistics serve other policy areas and chapters by providing the data from which policies can be developed, changes monitored and impacts assessed.

The business statistic is an important element for the development of the national economic policy. In this regard, the statistical data are the most relevant measurable indicators when it comes to comparing economy variables from different countries. Today, the country faces a challenge to establish and develop sustainable methods to exploit more of administrative data

to reduce reliance on new surveys and also enhance the scope and coverage of the existing surveys.

In addition, although the basic principles and the framework for producing statistics are in place, numerous gaps need to be filled before the statistical system of the country becomes fully harmonised and sustainable. This project aims to address the need for further developing an overall system for production of quality statistics, including: training of SSO staff in new methodologies on economic/social statistics and in the implementation of ESA 2010, and improving SSO staff knowledge for monitoring of the public fiscal data. Further developments in the area of the R&D and Innovation statistics and in the area of labour market statistics and population statistics is planned. In addition the project will provide input for data organisation in redesigned data warehouse for better supporting Eurostat ESA 2010 transmission programme.

3.2 Linked activities

Planned activities

The Twinning project is part of the Project for Private sector development. It is linked with the other two (2) contracts to be financed under PF IPA 2013:

-Service contract

Reference: PF IPA 2013:

Title: "Tailor-made software development and data warehouse for economic statistics"

Budget: EUR 301,000.00

Duration: 2016-2018 indicative

Description: Software development for data warehouse for economic statistics

-Supply Contract

Reference: PF IPA 2013:

Title: "Purchase IT software and hardware for SSO"

Budget: EUR 40,000.00

Duration: 2016 indicative

Description: Supply of IT equipment necessary for supporting DWH development and exploitation

Previous EU and other support

The country has been receiving EC, (PHARE and CARDS), support for the development of a sustainable and EU harmonised statistical since 1996. These projects include:

Reference: MA 9604

Title: Automatization and technical assistance to the State Statistical Office

Project funded by the European Commission within the national programme PHARE 1996

Duration: 10.1997 – 01.2000

Description: Project provided technical assistance to the SSO concerning classifications, national accounts and external trade statistics, as well as equipment for modernisation of the office.

Reference: 98/MAC/01/04/006

Title: Technical assistance to support the reform of the statistical system in the former Yugoslav Republic of Macedonia within the national programme PHARE 1998

Project funded by the European Commission

Duration: 10.04.2000 – 31.12.2002

Description: The project was focused on improving the statistical registers and links between statistical registers and administrative data sources, and improving statistics in the area of agriculture, external trade and labour market.

Reference: 00/MAC01/03

Title: Support to the Population Census

Project funded by the European Commission within the national programme PHARE 2000

Duration: 10.2002-12.2004

Description: The project assisted the SSO with the processing of data from the Population Census conducted in November 2002 (software licences, furniture and equipment, security system installation).

Reference: N/A

Title: Regional CARDS Programme 2001

Project funded by the European Commission

Duration: 31.12.2003 - 30.06.2005

Description: The programme covered 3 pilot projects: purchasing power parities, external trade and business statistics. This programme also delivered training to the SSO in the form of experts' missions to SSO, participating in seminars, international meetings and Eurostat working groups.

Reference: EuropeAid/121163/C/SV/MULTI

Title: 2003 CARDS Regional Programme on Statistics

Project funded by the European Commission

Duration: 14.07.2006- 13.03.2008

Description: this programme started in July 2006 and ended in March 2008. It covered: pilot projects in the areas of purchasing power parities, external trade statistics, migration statistics and labour market statistics, as well as transfer of know-how by training, traineeships, study trips, consultations and participation in Eurostat working groups.

Reference: 05MAC01/05/001

Title: Technical assistance to support the State Statistical Office

Project funded by the European Commission within the National Programme CARDS 2005

Budget: EUR 907,496.56

Duration: 30.6.2006-28.6.2008

Description: The project assisted SSO in capacity building, harmonisation of national accounts to meet EU standards, improvement of the statistical programme, with a focus on business and social statistics, strengthening the capacity of the information and communication technology (ICT) of the SSO, strengthening the performance and quality monitoring practices in the SSO, enhancing the overall consultation, cooperation and communication strategy of the SSO vis-à-vis public stakeholders, the end-users and the media.

Reference: 2007/018-97

Title: IPA 2007 multi-beneficiary statistical cooperation programme

Project funded by the European Union

Duration: July 2008 – March 2010

Description: The project was a horizontal one, with an objective to upgrade and strengthen the statistical systems in the beneficiary countries, thereby improving the availability, quality, comparability and timeliness of statistical data to be achieved through implementation of the seven sectoral pilot projects: external trade statistics, price statistics- Harmonised Index of Consumer Prices (HICP) and Purchasing Power parities (PPPs), national accounts, preparation of the population and housing censuses 2011, preparation of agricultural censuses or farm structure and transmission of statistical data.

Reference: 30-CE-0316812/00-94

Title: Grant – Satellite Accounts for cooperatives and mutuals

Budget: EUR 20,723.63

Project funded by the European Commission

Duration: 01.03.2010 – 30.11.2010

Description: The objective of the project is to establish satellite accounts on cooperatives and mutuals in the SSO that will contribute for improving the exhaustiveness of sets of data for the economy and for providing information and indicators to the stakeholders and decision making users for the share of cooperatives and mutuals in the economy and producing of data comparable on national and European level.

Reference: 10201.2009.002-2009.603

Title: Grant – 2010 Labour Force Survey ad hoc module on Reconciliation between work and family life

Budget: EUR 26,717.00

Project funded by the European Union

Duration: 07.07.2009 – 31.03.2011

Description: The objective is to ensure a methodologically sound and valid implementation of the ad hoc module. This module aims at improving the knowledge on reconciliation between work and private life.

Reference: ECFIN/044/2008; ECFIN/113/2008/496428; ECFIN/058/2009/530572

Title: Grant - Joint Harmonised European Union Programme of Business and Consumer Survey

Project funded by the European commission

Budget: EUR 57,210.00

Duration: May 2008 – April 2011

Description: The survey programme is designed to gather information on the state of the economies and to be able to compare their business cycles for EMU (Economic and Monetary Union) management purposes.

Reference: IPA 2008/MK/21.12.2009

Title: IPA 2008 multi-beneficiary statistical cooperation programme

Project funded by the European Union

Duration: 1.12.2009- 31.07.2011

Description: Areas concerned are macro-economic statistics, price statistics external trade statistics, agricultural statistics, demographic and social statistics and business statistics. This programme will continue to reinforce the regional integration and cooperation among statistical systems of the beneficiary countries.

Reference: EuropeAid/127969/C/SER/FYR

Title: Technical Assistance to the State Statistical Office

Project funded by the European Union - IPA 2007

Budget: EUR 2,000,000.00

Duration: February 2010 - January 2012

Description: The project addresses four priority areas for technical assistance that need further development and one for supply contract. The results expected are:

- Development of a quality system for all processes in the production of statistics
- Further harmonized national accounts and other monetary and financial statistics
- Improved business statistics
- Improved social statistics
- Improved IT systems by providing IT equipment as to support SSO tasks successfully, and in particular some of the tasks envisaged in this project (i.e. the pilot surveys).

Reference: 7600388601

Title: *Macedonian Swedish partnership in statistics 2009-2011*

Budget: 1,080,970.9

Project funded by the Swedish International Development and Cooperation Agency (SIDA)

Duration: 1.04.2009 – 31.01.2012

Description: Within this last phase of the project following areas are included: structural agricultural statistics and farm register, some areas of environmental statistics, PC Axis tools and metadata component.

Reference: 60702.2009.004-2010.401

Title: IPA 2009 Multi-beneficiary statistical cooperation programme

Project funded by the European Commission

Budget: EUR 499,871.90

Duration: 1.12.2010-31.12.2012

Description: Improve the quality of statistical information and reinforce confidence in methods and professionalism, thus providing policy makers and the international community with unquestioned statistical data. Continue the process of progressively integrating the State Statistical Office into the European Statistical System (ESS) and continue to support sustainable capacity building.

Reference: 60702.2011.003-2012.934

Title: IPA 2011 Multi-beneficiary Statistical Co-operation Programme

Project funded by the European Commission

Budget: EUR 978,647.15

Duration: 1.09.2012-31.08.2014

Description:

- To continue the process of progressive integration of the State Statistical Office of the Beneficiary Country in the European Statistical System by strengthening the State Statistical Office and its coordinative role in the statistical system of the country;
- To continue the support of the sustainable development of the institutional capacity of the Office in order to allow it to better respond to its users needs providing data that are accurate, reliable, timely and produced in complete accordance to the European legislation;
- To intensify the efforts for quality improvement of statistical information and to strengthen the trust in the methods and professionalism, which will provide unquestionable statistical data for the policy makers and the international community.

Reference: EuropeAid/133925/D/SUP/MK

Title: Supply contract for purchasing Centralized back-up and Disaster Recovery System

Budget: EUR 98,452.26

Duration: 20.01.2014-20.07.2014

Project funded by the European Commission

Description:

The objective of the project was upgrade of SSO centralized IT infrastructure by purchasing and installing equipment in order to improve security and availability of servers and data, while reducing space and power consumption.

Reference: EuropeAid/127054/C/SER/multi

Title: IPA 2009 Framework contract: "Support to the State Statistical Office for software solution for online filling-in of statistical questionnaires"

Project funded by the European Commission

Budget: EUR 90,900.00

Duration: 15.01.2013-21.02.2014

Description: The objective of the project is to develop IT system for on-line data collection.

The project will have an effect on:

- Reducing the respondents' burden
- Improving the communication with the respondents
- Decreasing the costs of the statistical surveys
- Improving response rate and timeliness
- Data quality improvement
- Increasing efficiency in the statistical process

Reference: MK/09/IB/ST/01

Title: Support to the State Statistical Office for capacity building and improving compliance of statistics with EU standards

Project funded by the European Commission

Budget: EUR 1,200,000.00

Duration: 18.08.2012-17.08.2014

Description: The objective of this project is to improve the decision making process by governmental institutions, business sector and citizens in the country through producing exhaustive and comparable statistical data in accordance to EU and international standards, in order to further improve democracy and market-oriented economy. The project's function is to improve the capacity of the State Statistical Office for better harmonisation with the legislation of the EU in the area of statistics focusing on national accounts, economic statistics and social statistics.

Reference: 14463.2013.002-2013.452

Title: IPA 2012 Multi-beneficiary Statistical Co-operation Programme

Project funded by the European Commission

Budget: EUR 1,339,979.58 **Duration:** 1.01.2014-30.11.2015

Description:

· To continue the process of progressive integration of the State Statistical Office of the Beneficiary Country in the European Statistical System by strengthening the State Statistical Office and its coordinative role in the statistical system of the country;

To continue the support of the sustainable development of the institutional capacity of the Office in order to allow it to better respond to its users needs providing data that are accurate, reliable, timely and produced in complete accordance to the European legislation.;

To intensify the efforts for quality improvement of statistical information and to strengthen the trust in the methods and professionalism, which will provide unquestionable statistical data for the policy makers and the international community.

Current support:

Multi-beneficiary Statistical Co-operation Programme

Reference: 14463.2014.003-2015.141

Title: IPA 2014 Multi-beneficiary Statistical Co-operation Programme

Project funded by the European Commission

Budget: EUR 711,095.20

Duration: 1.10.2015-31.08.2017

Description:

The overall objectives of the Project are:

- To support the process of harmonisation of the beneficiaries statistical production for future EU membership by aligning their present methodologies and output with the statistical EU acquis and taking forward their integration into the European Statistical System.

To intensify the efforts to improve the quality of statistical information and to reinforce confidence in methods and professionalism, thus providing policy makers and the international community with unquestioned statistical data.

Reference: MK11 IB FI 02

Title: Strengthening the medium term budgeting for effective public financial management

Project funded by the EU, IPA TAIB 2011

Budget: EUR 1.100,000

Duration: 11.2015 – 11.2017

Description:

The project purpose is to improve the effectiveness of medium-term budget planning, programme budgeting (programme classification) and fiscal reporting, that will contribute to formulating sustainable medium term fiscal projections and strengthening fiscal discipline and credibility. SSO is involved in Component 3 of the contract, in activities concerning application of ESA methodology and its linking with GFS (IMF).

IMF regional project on Government Finance Statistics

Swiss (SECO)-financed project, implemented in close collaboration with Eurostat

Duration: 18 months project extended for additional 3 years

Description:

Technical assistance activities in regional project for improvement government finance and Public Sector Debt Statistics in targeted Southeastern European countries (Albania, Bosnia and Herzegovina, Kosovo, the former Yugoslav Republic of Macedonia and Serbia).

Planned projects:

IPA 2013 National Programme

As described in Planned activities on page 5.

3.3 Results

The following mandatory results, which should be jointly achieved by the MS and BC Twinning Partner, will directly support the achievement of the project's purpose:

- o ESA 2010 implemented
- o Improved Business Statistics
- o Improved Research&Development, Innovation Statistics, Labour market statistics and Statistics on Income and Living Conditions (SILC)

Component 1: - Implementation of ESA 2010

This mandatory result will be achieved through the realisation of the following intermediary results:

1.1 Methodological topics on insurance according ESA 2010 implemented

1.2 New data sets on Non-financial Assets, produced and non-produced assets, valuation and Balance sheets analysis prepared

1.3 Transaction, transfers and delineation in accordance with ESA 2010 in the Government sector improved

1.4 Defined process of data organisation in DWH and SDMX structure for Eurostat ESA 2010 transmission programme

1.5 Improved regional data on employment and calculation of VA in previous year price on Regional GDP

1.6 Improved skills on recording and measuring of transactions and production of resident units belonging to foreign companies in National accounts including influence in production index

1.7 Improved data for capital account by institutional sectors

1.8 Improved and validated preliminary data sets on health accounts

Measurable indicators for Component 1:

- Calculations prepared and written recommendations on new methodologies provided;
- Staff trained on application of new methodologies.

Component 2 – Improved Business Statistics

This mandatory result will be achieved through the realisation of the following intermediary results:

2.1 Produced indicators for services according STS methodology Annex D: "Other Services"

- 2.2 New methods for calculation of turnover index in industry introduced
- 2.3 Further developed Statistical Business Register (SBR)
- 2.4 Module of environmental goods and services sector (EGSS) introduced
- 2.5 New methods for calculation of industrial production index (IPI) introduced
- 2.6 New methods for calculation of production index in construction introduced
- 2.7 Improved quality of statistical outputs by measurement and treatment of non-sampling and sampling errors
- 2.8 Further Improved Statistical Farm Register (SFR)

Measurable indicators for Component 2:

- Written recommendations on new methodologies provided;
- Staff trained on application of new methodologies;
- Written procedures and guidelines how to measure and reduce non-sampling and sampling errors.

Component 3- Improved R&D, Innovation Statistics, Labour market statistics and Statistics on Income and Living Conditions (SILC)

This mandatory result will be achieved through the realisation of the following intermediary results:

- 3.1. Improved national methodology and statistical production system for reliable R&D/GBAORD/CIS
- 3.2 Improved Labour Cost Survey (LCS), Labour Cost Index (LCI) and Gender Pay Gap
- 3.3 Improved manner for data collection, sampling, calibration, weighting, estimation methods and quality of estimates in Labour Force Survey (LFS)
- 3.4 Improved manner for data collection and procedures for sampling, calibration, weighting and variance estimation in Statistics on Income and Living Conditions (SILC)
- 3.5 Strengthened capacities for development and use of Statistical Register of Employees
- 3.6 Assessment of quality of administrative sources, particularly those relevant for Population census
- 3.7 Strengthened capacities on using IT tools for data processing of surveys' data

Measurable indicators for Component 3:

- Written recommendations on new methods and methodologies provided;
- Written recommendations for establishing Statistical Register of Employment (SRE)
- Written recommendations on assessment of quality of administrative sources for using in Census 2021 - combined method
- Staff trained on application of new methods, methodologies and ICT tools.

3.4 Activities

The Twinning project shall be implemented as a joint project in which each partner takes on its responsibilities. The selected MS shall transfer the requested hands-on public sector expertise to the Beneficiary Country, support into reinforcement of administrative capacities to meet the obligations of the EU membership by introducing and sharing EU wide best practices in connection with EU legislation and specific needs of the Beneficiary Country in the field of statistics.

The activities listed below represent the minimum activities to be implemented in the course of the Twinning project. Member State(s) may propose additional activities in line with the methodology elaborated in its proposal.

The proposal made by the MS should include the activities they propose to achieve the results listed in the fiche without listing necessarily all the possible activities. The proposal should be detailed enough to respond adequately to the Twinning project fiche. The set of proposed activities will be further developed with the Twinning partners when drafting the Twinning work plan, keeping in mind that the final list of activities will be decided with the Twinning partners. The components are closely interlinked and need to be sequenced accordingly.

The Twinning assistance will be provided in the form of know-how transfer. The eligible activities under this Twining Fiche are:

- *Advice and coaching sessions:* Coaching and advice activities will be the predominant type of activity providing a know-how transfer in the statistical domains defined with the Twinning Project. They will be an important element of implementing new and existing acquis in statistics.
- *Tailor made training programme:* This project will include the development and implementation of a tailor-made training programme for the staff of the State Statistical Office. The programme will take into account the lessons learnt from the previous trainings and will be based on a training needs assessment of the specific target groups. The training programme will focus on all aspects of improving the capacities of the BC in the areas outlined above and on know-how transfer in relevant methods and procedures. Generic and specific trainings will be organized for the specialist in selected areas.
- *Seminars, workshops and conferences:* The training programme will comprise the organisation of seminars, workshops and conferences.
- *Study visit(s):* Study visits will be organised for selected representatives of the beneficiary institutions to a Member State for exchange of good practices and experience in connection with the implementation of the EU legislation concerning statistics. The comparative qualitative and economic advantage of a study visit, compared to the activity-taking place in the Beneficiary Country, is crucial for its eligibility.

- Written manuals, guidelines and work plans: The Twinning partner should provide advice on the existing procedures with respect to statistics in writing methodologies, manuals, guidelines and work plans for all three components and proposes new ones, where relevant. This task will be done in close cooperation and consultation with key staff of the involved institutions.

3.5 Means/Input from the MS Partner Administration:

The project will be implemented in the form of a twinning contract between the Beneficiary country and a EU Member State (s). Details of implementation shall be agreed during the preparation of the work plan. The implementation of the project requires one Project Leader (PL) with responsibility for the overall coordination of project activities, one Resident Twinning Adviser (RTA) to manage project activities and a pool of short-term experts within the limits of the budget. It is essential that the team has sufficiently broad expertise to cover all the areas included in the project description.

The interested Member State institution shall include in its proposal the CVs of the designated Project Leader and Resident Twinning Adviser.

3.5.1 Profile and tasks of the Project Leader of the Member State (MS PL)

The Project Leader from the Member State must be a high-ranking official or equivalent staff, but preferably the Head of a Department engaged in the issue related to official statistics with relevant working experience of at least 5 years.

The MS PL will continue to work at his/her Member State administration but will devote some of his/her time to conceive, supervise and co-ordinate the overall thrust of the Twinning Project, and ensure the attainment of the projected outputs.

The MS PL will in detail coordinate and control the overall trust of the project, lead project activities, and ensure the attainment of the projected outputs. The PL is fully responsible for co-ordination of the work of the MS experts. The MS PL will manage the implementation of the project with the Project Leader from the Beneficiary Country and is expected to devote a minimum of 3 days per month to the project in his/her home administration with an on-site visit at least every 3 months. The PL's seniority will ensure his/her ability to mobilise the necessary staff in support of the efficient implementation of the project. In addition, he/she should coordinate, on the Member State side, the Project Steering Committee (PSC), which will meet in Skopje at least every three months.

He/she will be supported by his/her Member State administration for logistic, accounting and administrative affairs.

Qualifications and skills of the Project Leader:

- Education of at least a University degree preferably in statistics or similar discipline relevant to the project (Master's degree would be considered as an asset)

- At least 5 years of working experience in the field of statistics within National Statistical Institute or an institution with equal competence
- Fluent written and spoken English

Tasks of the Project Leader:

- Conceive, supervise and coordinate the overall preparation of the project;
- Coordinate and monitor the overall implementation of the project including coordination and direction of the MS TW partner;
- Co-ordinate MS experts' work and availability;
- Communicate with the beneficiary, CFCD and EUD;
- Ensure the backstopping functions and financial management;
- Guarantee the successful implementation of the Project's Work Plan,
- Co-chairing the regular Project Steering Committee meeting with the Beneficiary Country Project Leader,
- Preparation and drafting of interim, quarterly and final report and preparation of operative side letters.

Beneficiary Country Project Leader (BC PL)

The BC PL will act as the counterpart of the MS PL and will ensure close cooperation in the overall steering, co-ordination and management of the project from the beneficiary side. He/she will support the Twinning project team in managerial, organizational and technical matters and will also coordinate the PSC on behalf of the BC. The role of the BC PL and the MS PL are complementary.

3.5.2 Profile and tasks of the Resident Twinning Advisor (RTA):

One RTA will be appointed, and he/she will be located in the premises of the State Statistical Office.

The secondment of the RTA will last 16 months, during which he/she will be responsible for the direct implementation of the project under the overall supervision of the MS PL.

He/she will come from a EU Member State to work on a full time and day-to-day basis with the beneficiary administration. The RTA will have a key role in the coordination of the inputs required for the successful implementation of all the project activities. He/she shall be supported by a pool of Short –term experts.

Qualifications and skills of the RTA:

- Be a national of a Member State of the European Union;

- Be a civil servant or equivalent staff seconded to work within departments/units in charge of areas covered by the Project
- Have at least University degree³ preferably in the area of statistics, economics or similar field relevant for the project;
- Fluent written and spoken English
- Have a minimum of 3 years professional experience in the field of official statistics production
- Experience in at least one specific area: national accounts, business statistics, business registers, social statistics labour market or quality management will be considered as an asset.

Tasks of the RTA:

As to the general responsibility of the day-to-day implementation of the Twinning project in the Beneficiary Country, the RTAs will:

- Coordinate of all project activities and experts' inputs in the country;
- Provide technical advice, support and assistance to the beneficiary institution in the context of a predetermined work plan;
- Coordinate and organize training activities, guide the training delivery and related study visit(s);
- Assist the further development of a sustainable institutional framework (system and mechanisms) which would ensure the efficient and effective functioning;
- Ensure day-to-day implementation of the Twinning project activities in the BC;
- Ensure smooth correlation between the activities, deadlines and the envisaged results in the Work Plan;
- Ensure smooth implementation of the different activities and outputs delivered;
- Assess continuously the Twinning Project in all stages and provide link to compare it with the specified benchmarks/results and time-frame;
- Prepare the material for regular monitoring and reporting;
- Prepare side letters; take corrective actions, if necessary, inside the terms of the signed contract.

RTA Counterpart

An RTA Counterpart will be assigned by the State Statistical Office.

3.5.3. Profile and tasks of the short-term experts:

Other specialist staff will be made available by the Twinning Partner to support the implementation of activities. Specific and technical matters not directly covered by the RTA can be taken over by a pool of short-term experts within the limits of the budget. The detailed expert input shall be established when drawing up the twinning work-plan.

Qualifications and skills of short-term experts:

Short-term experts will:

- Have at least University-level degree² in the area of statistics, economics or similar field relevant for the project;
- Be civil servants or equivalent staff seconded to work within departments/units/structures related to the business, social and National Accounts statistics;
- Have relevant experience minimum 3 years in the business or national accounts or social statistics or ICT
- be fluent in English, both oral and written.

Short-term experts tasks:

- Prepare and implement specific tasks based mainly on practical cases and experience in compliance with their mission description and in accordance with project activities;
- Provide practical expertise/advices to relevant staff for execution of different tasks related to the project;
- Assist in key tasks, e.g. in the field of national accounts or business statistics or social statistics or ICT topics;
- Address cross-cutting issues;
- Prepare and implement on-the-job transfer of know-how through participation in the practical implementation of project tasks in each of the components;
- Contribute to the project reporting, contribute to the draft notes, preparation of mission report and other documents such as written recommendations and guidelines;
- Experts will also provide ad hoc support via help desk system, using e-mail, telephone, fax or other electronic communication.

3.5.4 Profile and tasks of the RTA assistants

The RTA will be provided with a full-time RTA assistant acting as an assistant for technical and organizational support. The assistant will be contracted according to twinning rules and paid from the Twinning budget. The assistant will be selected through an open call. The role of RTA Assistant is to support the RTA in the project management. In addition, the assistant will be responsible for organisation of meetings, seminars etc. and their logistics, as well as interpretation and translation.

4. Institutional Framework

The Contracting Authority for this Twinning project is the Central Financing and Contracting Department (CFCD) within the Ministry of Finance.

4.1 Beneficiary institutions

² For reference on equivalent qualification see: EPSO website-Annex 1 (http://europa.eu.int/epso/online-applications/pdf/guide-1242-171104_en.doc)

The Beneficiary institution is the State Statistical Office. SSO is the main producer of official statistics in a centralized statistical system where it holds a coordination role. The State Statistical Office is professional and independent organisation within the state administration in the Beneficiary Country. The basic functions of the institution are collecting, processing and disseminating statistical data about the demographic, social and economic situation of the Beneficiary Country society.

The State Statistical Office is realising its activity in accordance to the Law on State Statistics and the official statistics is produced in accordance to the principles of impartiality, expert independence, objectivity, rationality and individual data protection.

The IPA working group in the State Statistical Office is responsible for the functions delegated by CFCD, following the Operational Agreements for IPA Component I. The SPO will be responsible for the overall management, representation (coordination with the EU and other international bodies), and reporting. The coordination of activity development in the different components of the project is important. The SPO is responsible for appropriate management of resources.

Following sectors will be involved in the implementation of the activities:

- Sector for National Accounts: responsible for the calculation of the quarterly and annual national accounts, for the supply use table, SBS and regional accounts.
- Sector for Business Statistics and Agricultural Statistics: responsible for External trade statistics, agricultural statistics, environmental statistics, transport, tourism, domestic trade statistics, energy statistics and statistics on information and communication.
- Sector for Social Statistics: responsible for demographics statistics, culture, health, crime statistics, education statistics, labour market and living standard statistics.
- Sector for Dissemination, International Cooperation and European Integration: responsible for dissemination of statistics through different channels including web page, producing thematic maps and all activities related with International Cooperation and European Integration.
- IT Sector: responsible for providing IT infrastructure for supporting statistical production process as well as development of tailor made software.

The other actors in the Statistical Program (NBRM, Ministry of Finance, Republic Health Care Office, Ministry of Interior, Ministry of Justice, Employment Service Agency of the Beneficiary country, Pension Fund, Hydro-Meteorological Office) will be included as a beneficiary where applicable.

4.2 Co-ordination mechanisms between institutions

A Project Steering Committee (PSC) will be established at the beginning of the project and shall be composed of senior representatives of the beneficiary institutions, the Delegation of the European Union and the Central Financing and Contracting Department the MS PL, BC PL and the Resident Twinning Adviser.

The PSC will monitor, supervise and co-ordinate the overall progress and implementation of the project. The PSC will provide guidance for the different components of the project, will define priorities, approve and monitor budgets and approve the results.

4.3 Reporting requirements as per the Art 6.4 of the Twinning Manual

Reports will follow the templates of Annex C4 and Annex C5 of the Common Twinning Manual. In addition to these formal reporting stages, the twinning partners are obliged to inform in writing the Contracting Authority as well as the final beneficiary of the action of any critical aspects or conditions of project implementation, or any amendments/modifications necessary within the budget.

All reports must be produced in the English in electronic and hard copy. These reports shall be signed by both Project Leaders. Each report must be presented in electronic format one week prior to the PSC meetings and in two hard copies to the following addresses:

Central Financing and Contracting Department

Ministry of Finance

Dame Gruev 12, 1000 Skopje

The final versions should incorporate any comments and discussions during the Steering Committee meetings.

5. Budget

The project will be implemented through a Twinning Contract estimated at a maximum of EUR 742,105 (out of which 95% IPA funds and 5% National co-financing).

Twinning Contract	Total (EUR)	IPA Community contribution		National Public contribution	
	742,105	EUR	%	EUR	%
		705,000	95	37,105	5

The co-financing requirement foreseen under IPA will be considered fulfilled according to the provision of the relevant Financing Agreement.

Apart from the National co-financing, as part of the Twinning Contract amount, all twinning contracts as a rule must provide Beneficiary co-financing on the side of the beneficiary institution for the purpose of covering costs not covered by the EU as per Twinning manual, point 5.13, as follows:

- Direct and indirect cost of the Beneficiary administration, civil servants and national private experts working for the project;
- Travel by the beneficiary officials from their capitals to a MS or between MS.
- Organisation of seminars (incl. hall rental, provision of refreshments, printing seminar materials, transport of employees and other logistical support);
- Facilities for the Member State experts: adequately equipped office space, telephone, email services, fax, photocopiers, computer, internet access, secretarial support and access to information.

The following expenses are also to be covered with the project funds:

- Visibility Cost
- Audit certificate cost;

The location of the project will be at the premises of the State Statistical Office and it will ensure appropriate facilities and basic equipment for the work of the experts.

6. Implementing Arrangement

6.1 Implementing agency responsible for tendering, contracting and accounting

The Central Financing and Contracting Department (CFCD) of the Ministry of Finance will be responsible for tendering, contracting, payments, accounting and overall supervision of the implementation of the project, upon conferral of management. The Head of CFCD will act as the Programme Authorising Officer (PAO) of the project:

Ms. Radica Koceva
 Programme Authorising Officer
 Head of Central Financing and Contracting Department
 Ministry of Finance /
 Address: Dame Gruev 12, 1000 Skopje
 web page: <http://cfcd.finance.gov.mk>

6.2 Main counterpart in the BC

Senior Programme Officer:
 State Statistical Office
 Mrs. Helena Papazoska

BC Project Leader:
 State Statistical Office
 Mrs. Lidija Kostovska, Director General

RTA counterpart:
 State Statistical Office
 Ms. Sladzana Shavkulovska, Associate in the Cabinet of the Director General

6.3 Contracts

One twinning contract is foreseen for the implementation of the above-mentioned activities

7. Implementation Schedule

7.1 Launching of the call for proposals

The date for the launching of the call for proposals is tentatively scheduled for: February 2016

7.2 Start of project activities

The start of project activities is tentatively scheduled for: October 2016

7.3 Project completion

The project implementation period (duration of the work plan) is 16 months after the commencement date of the Project)

7.4 Duration of the execution period

The overall execution period of the Twinning project is 19 months with an implementation period of 16 months. (The execution period of the contract shall enter into force upon the date of notification by the Contracting Authority of the contract signed by all parties, whereas it shall end 3 months after the implementation period of the Action).

8. Sustainability

After the implementation of this programme the SSO will have achieved a greater extent of integration into the ESS. It will have improved its capacity to provide statistical data in accordance with the *acquis* and the quality of data and public confidence will be much higher. The successful implementation of the Programme objectives and its tasks respectively will not be limited only to specific results but also will multiply its effect by strengthening the administrative capacity of the in implementing similar programmes. The staff involved in the preparation of the Programme will improve its skills and proficiency in technical and financial planning, management and monitoring of operations. The experience gained and the results achieved during the implementation of the IPA 2012 projects, will be used in the regular SSO's work and in the future projects. The project should lead to improve the compliance with the EU *acquis* in statistics, ESS Code of Practice, methods and will have impact on the cross-sectoral statistics improvements in the SSO and a better co-ordination between this institution and other national producers of statistics, in order to increase responsibility and capacity to provide for close monitoring of results with respect to the *Acquis Communautaire* in statistics.

In order to provide sustainability of the results, obtained through the realization of the statistical programme and donor support, SSO staff is dedicated to implementation of the conclusions and recommendations in its regular work. In order to ensure that the capacity built-up with this assistance is sustainably retained within the institution, it needs to maintain an adequate level of human and financial resources.

9. Cross-cutting issues

The crosscutting issues will be addressed throughout the project. The mainstreaming of the cross cutting issues is regarded on two different levels:

- Ensuring that the internal policies, structure or operating procedures of the SSO will conform to and promote the relevant principles outlined per section below;
- Ensuring that the products, outputs produced by the beneficiaries (e.g. laws, regulations, policies, and strategies) will conform to and promote the relevant principles outlined per section below.

9.1 Civil Society development and dialogue

Civil society issues will be taken into consideration of such issues where relevant and appropriate in the project.

9.2 Environmental considerations

Any ecological friendly initiative, which can be taken, will have to be implemented.

9.3 Equal Opportunity and non-discrimination

Equal opportunity principles and practices in ensuring equal gender participation in the Project will be guaranteed. The competent institutions involved in the project execution will observe equal opportunity of women and men in the human resources development and capacity building activities. The beneficiary will ensure equal access of men and women to the project activities and results and all other forms of discrimination will be eliminated.

9.4 Minority and vulnerable groups

The twinning partners in formulation the proposal and implementation the contract shall ensure respect of Ohrid Framework Agreement, and “Race directive” 2000 (200/43/EC of 29 June), which has an important impact on employment (incl. vocational training, working conditions, social protection etc.) and is also a crucial aspect of the acquis.

Equal representation of minorities and vulnerable groups will be the guaranteed project principle. The institutions involved in the project execution will observe equal opportunity for all citizens regardless of their ethnic, religious background or other type of social risk they face, in the sphere of human resources development.

9.5 Good governance, with particular attention to fight against corruption

The Government is strongly determined to fulfil all criteria needed for EU accession and membership, and all the necessary actions are being taken to reach the aim. Through transparent policies and involvement of different stakeholders in the process of policy design the accountability and responsiveness vis-à-vis the citizens will be being strengthened.

9.6 Communication and publicity

All requirements to ensure the visibility of EU financing will be fulfilled in accordance with R. (EC). N. 718/2007³

10. Conditionality and sequencing

10.1 Conditionality

The following conditionality predetermines the project:

1. Appointment of counterpart personnel by the beneficiaries before contract signatory;
2. Allocation of working space and facilities within the premises of the beneficiaries before contract signatory;

³ See. Article 62 and 63 of R. (EC). N. 718/2007

3. Organisation, selection, appointment and participation of members of working groups, steering and coordination committees, seminars by the beneficiaries/stakeholders as per work plan of the project;
4. Appointing the relevant staff by the beneficiaries to participate in twinning activities as per work plan;

10.2 Sequencing

Key milestones will be:

- Approval of the Twinning project fiche;
- Circulation of the Twinning Project Fiche to Member State National Contact Points;
- Completion of the selection of the twinning partner;
- Preparation of Twinning Work Plan;
- Signature of the Twinning contract, including the Twinning Work Plan;
- Commencement of the implementation of the twinning (inter alia, the arrival in the country of the Resident Twinning Adviser);
- End of the implementation period;
- Submission of the final report.

ANNEXES

1. Log frame in Standard Format

ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR PROJECT FICHE: Support to the State Statistical Office for capacity building and improving the compliance with EU standards	Programme name and number: National Programme for the Beneficiary Country under the IPA Transition Assistance and Institution Building Component for 2012		
	Contracting period expires 16 months from the date of the conclusion of the Financing Agreement	Execution period expires 16 months from the final date for contracting	Disbursement period expires one year from the final date for execution of contracts
	Total budget: EUR 742 105		IPA budget:705000

Overall objective	Objectively verifiable indicators	Sources of Verification
The overall objective to which this Project contributes is the improvement of decision making by government institutions, businesses and citizens in the country, through producing exhaustive and comparable statistics in line with EU and international standards, aiming at further advancing of democracy and market oriented economy.	<ul style="list-style-type: none"> – SAA process requirements – Follow up of Progress Reports – Statistical products available to users – Comparability of the data at European level 	<ul style="list-style-type: none"> – Commission's Progress Reports and other documents related to accession – SSO Annual report – Final Report

Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
The project purpose is to develop the capacity of the State Statistical Office to improve compliance with the EU acquis in statistics, with a	<ul style="list-style-type: none"> – Availability of high quality statistics in all domains covered by the project – Statistical Annexes to the Commission's Progress Reports 	<ul style="list-style-type: none"> Approved final report; – Survey outputs – Eurostat assessments; - New data set produced 	<ul style="list-style-type: none"> – The Twinning partner is provided with adequate resources to operate effectively and in the most efficient and relevant way. – There is a full co-ordination and transparency in the work of all key players involved. – The Operational Structure

<p>focus on national accounts, economic statistics, and social statistics</p>	<ul style="list-style-type: none"> - Availability of comparable and quality statistics in each project area - Improved methodology in each project area - Increased datasets transmitted to Eurostat data base - Training materials - Mission evaluation forms 		<p>partners continuously support the Resident Twinning Adviser in the implementation of the project activities.</p> <ul style="list-style-type: none"> - The Operational Structure appoints the Project Leader and Resident Twinning Adviser counterpart(s) and indicates and makes available the staff that will be involved during the Twinning implementation. - Cooperation of official statistics producers and other key stakeholders in the country
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Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Component 1 - ESA 2010 implemented			
<p>1.1 Methodological topics on insurance according ESA 2010 implemented</p> <p>1.2 New data sets on Non-financial Assets, produced and non-produced assets, valuation and Balance sheets analysis prepared</p> <p>1.3 Transaction, transfers and delineation in accordance with ESA 2010 in the Government sector improved</p> <p>1.4 Defined process of data organisation in DWH and SDMX structure for Eurostat ESA 2010 transmission programme</p> <p>1.5 Improved regional data on employment and calculation of VA in previous year price on Regional GDP</p> <p>1.6 Improved skills on recording and measuring of transactions and production of</p>	<p>- Calculations prepared and written recommendations on new methodologies provided;</p> <p>- Staff trained on application of new methodologies</p>	<p>- Eurostat assessments.</p> <p>- Twinning reports by experts and quarterly and final reports for the project.</p> <p>- Eurostat's public database.</p> <p>- Statistical publications</p>	<p>Cooperation of official statistics producers and other key stakeholders in the country</p>

<p>resident units belonging to foreign companies in National accounts including influence in production index</p> <p>1.7 Improved data for capital account by institutional sectors</p> <p>1.8 Improved and validated preliminary data sets on health accounts</p>			
Component 2 - Improved Business Statistics			
<p>2.1 Produced indicators for services according STS methodology Annex D: "Other Services"</p> <p>2.2 New methods for calculation of turnover index in industry introduced</p> <p>2.3 Further developed Statistical Business Register (SBR)</p> <p>2.4 Module of environmental goods and services sector (EGSS) introduced</p> <p>2.5 New methods for calculation of industrial production index (IPI) introduced</p> <p>2.6 New methods for</p>	<p>-Written recommendations on new methodologies provided;</p> <p>- Staff trained on application of new methodologies;</p> <p>- Written procedures and guidelines how to measure and reduce non-sampling and sampling errors.</p>	<p>– Eurostat assessments.</p> <p>– Twinning reports by experts and quarterly and final reports for the project.</p> <p>– Eurostat's public database.</p> <p>– Statistical publications</p>	<p>Cooperation of official statistics producers and other key stakeholders in the country</p>

<p>calculation of production index in construction introduced</p> <p>2.7 Improved quality of statistical outputs by measurement and treatment of non-sampling and sampling errors</p> <p>2.8 Further Improved Statistical Farm Register (SFR)</p>			
<p>Component 3 - Improved R&D, Innovation Statistics, Labour market statistics and Statistics on Income and Living Conditions (SILC)</p>			
<p>3.1. Improved national methodology and statistical production system for reliable R&D/GBAORD/CIS</p> <p>3.2 Improved Labour Cost Survey (LCS), Labour Cost Index (LCI) and Gender Pay Gap</p> <p>3.2 Improved manner for data collection, sampling, calibration, weighting, estimation methods and quality of estimates in Labour Force Survey (LFS)</p> <p>3.3 Improved manner for data collection and procedures for sampling, calibration, weighting and variance estimation in Statistics on Income and Living Conditions (SILC)</p> <p>3.4 Strengthened</p>	<p>-Written recommendations on new methods and methodologies provided;</p> <p>-Written recommendations for establishing Statistical Register of Employment (SRE)</p> <p>-Written recommendations on assessment of quality of administrative sources for using in Census 2021 - combined method</p> <p>-Staff trained on application of new methods, methodologies and ICT tools.</p>	<ul style="list-style-type: none"> - Eurostat assessments - Twinning reports by experts and quarterly and final reports for the project. - Eurostat's public database. - Statistical publications 	<p>Cooperation of official statistics producers and other key stakeholders in the country</p>

<p>capacities for development and use of Statistical Register of Employees</p> <p>3.5 Assessment of quality of administrative sources, particularly those relevant for Population census</p> <p>3.6 Strengthened capacities on using IT tools for data processing of surveys' data</p>			
Activities	Means	Costs	Assumptions
<p>The set of proposed activities will be further developed with the Twinning partner when drafting the Twinning work plan, keeping in mind that the final list of activities will be decided with the Twinning partner.</p> <p>The Twinning assistance will be provided in the form of know-how transfer, and will be delivered through:</p> <ul style="list-style-type: none"> - Advice and coaching sessions - Tailor made training programme - Seminars, workshops and conferences - Study visit (s) - Written manuals, guidelines and work plans 	<p>Signed Twinning contract, assigned Project Leader, one resident Twinning Adviser (RTA) and short term experts</p>	<ul style="list-style-type: none"> - Total budget for the Twinning project: EUR 742 105 - IPA budget: EUR 705 000 and 5% National co-financing). 	<ul style="list-style-type: none"> - Availability of experts - Good organization - Availability of office places - Synergy effects between the components