



TWINNING FICHE

Project title: Strengthening the capacities of the system for fight against counterfeiting of EUR

Beneficiary administration: Ministry of Interior, of *the Beneficiary Country*

Twinning Reference: MK 14 IPA FI 01 18 TWL

Publication notice reference: EuropeAid/159391/DD/ACT/MK

EU funded project

TWINNING INSTRUMENT

1 Basic Information

1.1 Programme: European Union Integration facility 2014 -Commission Implementing Decision of 17.12.2014 C(2014)9847 final, Dec.no. IPA 2014/037701; Direct management

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article 12.2 of the General Conditions to the grant agreement.

1.2 Twinning Sector: Public Finance Sector

1.3 EU funded budget: 250.000 EUR

1.4 Beneficiary Country: the Beneficiary country (BC)¹

2 Objectives

2.1 Overall Objective(s):

The main objective of this project is to support the establishment of the sound and efficient system for protection of the EU and national financial interests and an effective counterfeit surveillance at national, EU and international level in line with the Geneva Convention and the EU *acquis* in accordance with EU best practices

2.2 Specific objective:

The specific objective is to contribute to ensure efficient functioning of the system for fight against internationally organized crime in a specific area of forgery/counterfeiting of banknotes and coins.

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

- Link with the EC Progress Report 2016

EC Progress Report points out that:

"Counterfeiting of both national and foreign currencies remained relatively low in the country. Concerning **acquis alignment**, national legislation lays down counterfeiting procedures as well as the roles and responsibilities of institutions involved. The National Bank carries out **technical analysis** of counterfeit money. The existing database system of counterfeit banknotes in the National Bank was upgraded with a software system, which, however, is not accessible to the Investigative Centre within the Ministry of the Interior. Coordination between the National Bank, the Public Prosecutor's Office and the Ministry of the Interior will need to be further improved. No formal **cooperation agreements** are in place with the European Central Bank on banknotes and with the European Commission on coins. Cooperation with foreign banks and bodies is not yet regulated. The country participates in the Pericles 2020 programme and the regional Balkan Network for Euro Protection initiative".

- Link with National Plan for Adoption of Acquis 2016

^{1 1} As per Financing Agreement concerning the IPA II 2014 Annual Action Programme - entered into force on 23 December 2015.

With regards to the fight against organized crime, NPAA stipulates that on a medium term basis the strengthening of the law enforcement bodies is envisaged.

- Link with national /sectoral strategic plans

This project is directly in line with the priorities of the Police Development Strategy 2016-2020 of the Ministry of Interior. One of the main objectives in this document is enhancing the capacities based on EU best practices and standards

The project is also in compliance with the strategic objectives stated in the Strategic Plan of the National Bank of the Country for 2018-2020.

Establishing a new modern cash management concept is also one of the activities stated in the Plan of Activities of the National Bank of the Beneficiary Country (BC). One part of the functioning of the modern cash management concept refers to the system for suppression of counterfeiting.

3 Description

3.1 Background and justification:

The country has ratified the Geneva Convention for the Suppression of Counterfeiting Currency. Based on the provisions of the Convention, a Central Investigation Office for conducting investigations related to money counterfeiting, was established within the Ministry of Interior.

Separate organizational unit was established within the **National Bank** (that functions as a National Analysis Centre - NAC and Coin National Analysis Centre - CNAC), It is a separate organizational unit established within the Banknotes Department, and its main goal is concentrating of the activities related to prevention of counterfeiting and detection of counterfeits, conducting technical analysis on counterfeited banknotes and coins denominated in MK Denars or in foreign currencies, keeping records, and cooperating with all relevant institutions in the country and abroad on the exchange of information regarding the emerged counterfeited money which main goal is integral concentration of activities to prevent and detect counterfeits, preparation of expertise of banknotes and coins denominated in MK Denars or in foreign currency, keeping records, as well as cooperation with relevant institutions in the country and abroad on exchange of information. The unit has 7 employees and has the sufficient technical and administrative capacity to perform the analysis on counterfeit money.

The Ministry of the Interior is the main stakeholder in the fight against counterfeiting of currencies and economic crime, but also there are other institutions that deal with the prevention of falsification of currencies and money-related criminal offenses. The National Bank, Ministry of Finance, Custom Office and the Financial Police Office are part of the system of monetary security and prevention of counterfeiting of money.

As of September 2011, a memorandum of cooperation was signed in the area of suppression of money counterfeiting between the National Bank, the Ministry of Interior (Central Investigation Office), the Ministry of Finance - Customs Administration and the Ministry of Finance - Financial Police Office. This memorandum determines the way of achieving coordination between the signatories, exchange of information, knowledge, experiences, technical assistance and harmonization of activities and promotion of cooperation at all levels in the area of suppression of money counterfeiting.

The National legislation regarding money counterfeiting is in great extent aligned with the EU legislation: The Article 268 of the Criminal Code of the Country defines the money counterfeiting as a criminal act and defines the appropriate sentences.

The equalization of the treatment of the national and the foreign currencies with respect to counterfeiting is regulated in Article 29 of the Law on the NBRM (Official Gazette No. 158/10, 123/12, 43/14, 153/15 and 6/16). The same Article states that “the National Bank shall be exclusively

entitled to provide expert opinion on the authenticity of banknotes and coins and shall seize all notes and coins presented to it, which are counterfeited”.

The manner of authentication and the procedures regarding counterfeiting are defined by decisions, adopted by the National Bank’s Council, which are harmonized with the European legislation that regulates this area, slightly adjusted according to our national specifics.

The Central Office for Investigation in the Field of Counterfeiting Money was established in accordance with the Decision of the Government from April 26, 2011, (Official Gazette of the No. 61/2011, adopted in accordance with Article 12 of the International Convention for Suppression of Counterfeiting of the Currency).

The Criminal Police Department, as a part of the Bureau for Public Security has organizational units deployed in several sectors, covering all areas of criminal activity for the whole country, including the Department for Economic Crime and Corruption, which is also responsible for fight against counterfeiting of money. These sectors have a coordinating role in the activities of the organizational units in the Sectors for Internal Affairs (SIA Skopje, SIA Tetovo, SIA Kumanovo, SIA Veles, SIA Shtip, SIA Ohrid, SIA Bitola and SIA Strumica), within which there are also organizational units for economic and cybercrime, which deal with cases of counterfeit money at local level.

The Central Office uses an E-registry for counterfeit money, which is actually a database that provides information from investigations to the police officers of the PSB, the Customs Administration, the Financial Police Directorate and the National Bank in order to obtain timely information on the cases of forgery all over the country.

In June 2017, the Central Office and the NBRM promoted the process of exchange of information about the registered counterfeit money through the exchange of encrypted messages as the first phase of the project for electronic inter-institutional connection. The software that provides this connection is installed on hardware used by responsible persons in both institutions and thus ensures a reliable and fast flow of information.

The Central Investigation Office in the field of counterfeiting money is functioning within the Public Security Bureau, the Department for the Suppression of Serious and Organized Crime, the Criminal Investigation Department, the Financial Crimes Unit.

The main goal of the system is the protection of the domestic and foreign currencies against counterfeiting. In order to achieve this goal, all institutions involved in the system have to focus on systematic strengthening of their capacities and improving the mutual cooperation and communication, especially between the National Analysis Centre (the National Bank) and the Central Investigating Office (the Ministry of Interior).

The expectations from the implementation of this project are aimed at conducting a full analysis of the functioning of the system, identifying the bottlenecks and getting recommendations for improvement of the identified weaknesses, based on best EU practices.

In terms of the activities performed by the National Bank, related to the protection of cash from counterfeiting, this project would contribute to strengthening the cooperation with all relevant domestic and foreign institutions that are included in the system for suppressing of counterfeiting of both domestic and foreign currencies. In addition, it would enhance the capacity for conducting technical analysis of banknotes and coins, further improve the database for registering counterfeited money as well as streamline the legal framework related to money counterfeiting etc.

3.2 Ongoing reforms

For further improvement of the process of exchange of information regarding the registered counterfeit money, the National Bank and the Ministry of Interior are in the phase of realization of a

project for electronic inter-institutional connection. A communication agreement has been signed for exchange of encrypted messages, as the first phase of the project. This TWL project provide for efficient analysis of the available resources and technical equipment of both institutions thus establishing an improved environment for enhanced communication and exchange of data.

In order to achieve raised level of professional skills and knowledge of the employees, further strengthening the capacities, cooperation and coordination between the relevant institutions involved in the process of suppression of money counterfeiting, representatives from the Ministry of Interior, National Bank and Public Prosecutor's Office are regular participants in the Balkan Network for Euro Protection initiative, organized by the European Commission and the Croatian National Bank (within the "Pericles 2020" program).

The National Bank is constantly improving the software support of the existing database for registering counterfeited money the functioning of the supporting systems, providing more technical and statistical data related to registering and tracing of the counterfeited banknotes and coins, improvement of the data analysis, establishing of a more efficient reporting system etc.

Within the framework of the technical assistance program in the field of protection against counterfeiting, the National Bank has successful cooperation with the Dutch and Belgium Central Bank.

3.3 Linked activities:

The Ministry of Interior implemented the following projects:

-Service Project IPA 2010- "Further institutional and capacity building of the Police Services in the area of border management, community policing and fight against organized crime "-

EuropeAid/133632/IH/SER/MK

Donor: IPA 2010

Duration: December 2014- December 2016

Description:

The overall objective was further strengthening of the police capacities for border management, fight against organized crime and community policing.

- TAIEX Expert Mission on the implementation of relevant EU regulation against counterfeiting of the Euro realized during the period from 8-10 November 2017 in the Ministry of Interior and all relevant institutions (National Bank, Public Prosecutor's Office, Ministry of Justice, Financial Police and Customs Administration).

3.4 List of applicable Union acquis/standards:

- Council Decision of 6 December 2001 on the protection of the euro against counterfeiting (2001/887)

- Decision on determining the procedure for detecting and withdrawing counterfeit money

- "Decision to establish a central office for investigations in the area of counterfeiting of money counterfeiting"

- Council Framework Decision of 29 May 2000 on increasing protection through criminal penalties and other sanctions against counterfeiting related to the introduction of the euro (2000/383)

3.5 Results per component

Component 1:

Mandatory Result 1: further improvement and harmonisation of the legal framework and methodology of the system for fight against counterfeiting of EUR.

In the context of Mandatory Result 1 the following indicative sub-results will be achieved:

- Existing legislation assessed and a report with recommendations for improvement of the legislation prepared
- Internal procedures framework (by-laws and other) and methodology in accordance with EU best practices including examples from other MS prepared
- Manual for handling with suspicious banknotes and coins with best practice example prepared
- Guidelines for handling with suspicious banknotes and coins with best practice examples prepared

The measurable indicators in relation with Mandatory Result 1 are:

- Report with recommendations for improvement of the legislation and assessment of the existing legislation developed
- Number of proposed amendments and/or updates of existing SOPs and Manuals, according to the new Law on Criminal Procedure and other relevant legislation
- Manual for handling with suspicious banknotes and coins with best practice example adopted and delivered to the police officers
- Guidelines for handling with suspicious banknotes and coins handling with suspicious banknotes and coins with best practice examples adopted and implemented

Component 2:

Mandatory result 2: Administrative capacity development of the system for fight against counterfeiting of EUR

In the context of Mandatory Result 2 the following indicative sub-results will be achieved:

- A comparative analysis developed of the organisational structure, functions and responsibilities of the relevant units in all key institutions in the system elaborated taking into consideration best EU practices in MS and a report with recommendations for improvement
- Analysis of the current MOI organizational structure developed and recommendations for more efficient and effective structure for fight against counterfeiting of EUR prepared
- Training needs analysis conducted, multidisciplinary training programme and National Training Plan prepared and implemented
- Minimum 4 workshops on anti-counterfeiting of banknotes and coins organised (at least one workshop related to technical analysis of banknotes, ways of detection different printing techniques, new trends in counterfeiting etc.)
- Improved knowledge and skills of staff participating in a study visit to a pre-selected Member State (10 participants for 5 days) focussed on the organisation and functioning of the system for fight against counterfeiting of EUR

The measurable indicators in relation with Mandatory result 2 are:

- Based on the comparative analysis prepared and recommendations made, an improved organisational model developed covering all key institutions of the system and taking into consideration best EU practices
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- Number of staff trained as a result of the implementation of the National Training Plan

Component 3:

Mandatory result 3: Further improvement and integration of the data base and IT system used for fight against counterfeiting of EUR

In the context of Mandatory Result 3 the following indicative sub-results will be achieved:

- Current situation analysed and recommendations prepared
- Feasibility study prepared for integration of all key institutions in the system for efficient exchange of information in resolving cases related to counterfeiting of EUR
- Improved knowledge and skills of staff participating in a study visit to a pre-selected Member State (5 participants for 5 days) focussed on functioning of data bases and supporting IT systems fight against counterfeiting of EUR

The measurable indicators in relation with Mandatory result 3 are

- Recommendations and analyses of current situation developed
- Feasibility study for inter- connection with all key institutions in the system prepared
- Number of persons participated in the study visit

3.6 Expected Activities

Component 1:

Mandatory result 1: Further improvement and harmonisation of the legal framework and methodology of the system for fight against counterfeiting of EUR

- 1.1.To prepare an assessment report of the existing legislation with recommendations for improvement of the existing legal framework
- 1.2 To revise and upgrade internal procedures framework(by-laws and manuals) and enhance methodology in accordance with EU legislation
- 1.3 To prepare a manual for handling of suspicious coins for key institutions (Ministry of Interior, National Bank) with best practice examples

Component 2:

Mandatory result 2: Administrative capacity development of the system for fight against counterfeiting of EUR

- 2.1.To conduct analysis for defining functions and responsibilities of the institutions with corresponding units in competent national authorities of a

Member state and development of a report with recommendations for improvement

- 2.2. To carry out strategic training needs analysis (TNA) based on the report under 2.1 and covering the whole system for fight against counterfeiting of EURO
- Based on the TNA, to elaborate a National Training Plan (with concrete priorities, target groups, responsible institutions, timing, financial and human resources)
- 2.3. To organise a workshop on best practices in EU MS in regard to the system for fight against counterfeiting of EUR
- 2.4. To carry out a workshop for the staff of centres for fight against counterfeiting of EUR for raising public awareness and external communication to general public in cases of huge quantities of counterfeits in the cash cycle by presenting the different practices within the EU Member States
- 2.5. To organise and carry out a study visit to Member State (10 participants for 5 days), covering the organisation and functioning of the system for fight against counterfeiting of EUR

Component 3:

Mandatory result 3: Further improvement and integration of the data base and IT system used for fight against counterfeiting of EUR

- 3.1. To analyse current situation of existing data base and IT system and prepare a report with recommendations for upgrade of the system
- 3.2. To develop a Feasibility study for the integration of all key institutions in the system for efficient exchange of information in resolving cases related with counterfeiting of EUR
- 3.3. To organise and carry out a study visit (5 participants for 5 days) focussed on functioning of data bases and supporting IT systems for fight against counterfeiting of EUR
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3.7 Means/ Input from the Member State Partner Administration:

The project will be implemented in the form of a Twinning Light contract envisaged to provide exchange of experience and know-how with a MS Institution with good practice in the stated project activities. The Twinning Partner shall provide an adequate team of experts – one MS Project Leader, responsible for overall coordination of project activities and a pool of Short Term Experts (STEs) with suitable knowledge to carry out the activities described.

In its proposal, the MS will propose the set of activities it considers most appropriate to achieve the results listed above. Therefore, it is necessary that the MS proposal clearly indicates all inputs/means with concrete indications on how the work plan should be established, on the suggested schedule of activities, on the profile of short-term experts and on indicators and targets that should be used to ensure the timely achievement of the mandatory results/outputs. The interested MS Partner Institution shall include in its proposal the CV's of the designated Project Leader and the proposed Short-term Experts as well as their specific tasks to which they will be assigned to. MS Partner Institution is encourage to assign Component Leaders for each describe component accordingly

The MS Partner Administration should demonstrate experience in delivery of services in the relevant project fields mentioned above. This experience should be described in the proposal. Experience in providing assistance in similar EU projects would be considered as an advantage.

3.7.1 Profile and tasks of the Project Leader

The MS Project Leader will manage the implementation of the project with the Project Leader from the Beneficiary Country. The Project Leader's 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). The MS Project Leader will continue to work at his/her Member State administration. As a minimum, the project Leader should be able to dedicate to the project at least 3 days per month, with at least 3 on-site visits. The Project Leader's seniority will ensure his/her ability to mobilize 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.

Profile Project Leader - Requirements:

- Proven contractual relation to a public administration or mandated body
- At least University degree² preferably in the field of economy, finance or law, or equivalent professional experience of 8 years in the public administration
- At least 3 years of general professional experience in the fight against counterfeiting euro;
- Previous experience in project management will be considered as an asset;
- Fluent in English.

Tasks of the Project Leader

- Supervise and coordinate the overall workplan of the project;
- Ensure the achievement of the projected outputs;
- Co-manage the implementation of the project with the Beneficiary Country Project Leader;
- Co-ordinate MS experts' work and availability;
- Communicate with the beneficiary and EUD;
- Ensure the backstopping functions and financial management;
- Co-chair the Project Steering Committee Meetings;
- Overall co-ordination of study visits for the purposes of the National Preventive Mechanism;
- Draw up reports in accordance with the Twinning Manual;
- Where necessary, provide technical assistance and advice under the project.

3.7.2 Profile and tasks of the Short-Term Experts (STEs)

Other specialist staff will be made available by the Twinning Light Partner to support the implementation of activities. The proposed pool of short-term experts is expected to cover all relevant areas targeted under this project in order to achieve the mandatory results.

Profile of the short-term experts – STE 1

- have at least University degree³ preferably in the area relevant for the implementation of the project or equivalent professional experience of 10 years in public administration;

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

- At least 3 years of working experience in the field of Criminal Law
- Proven contractual relation to a public administration or mandated body
- Fluency in English;
- Computer literacy.

Asset:

- Experience in preparation of legal framework and methodological tools in the field of fight against counterfeiting euro
- Experience in conducting trainings in the field of fight against counterfeiting of EUR
- Knowledge of international standards in this field;

Tasks of the short-term experts

- Preparation of reports an analysis exchange of experiences and best practices examples;
- Participation in the round tables- presentation of the experience, best practices and study cases in the field of counterfeiting of euro
- Provision of findings, recommendations and reports as foreseen under the project in close cooperation and coordination with the relevant Institutions.
- Developing programme for training of trainers and conducting trainings with the relevant representatives
- Organisation of study visits

Profile of the short-term experts –STE 2

- Have at least University degree⁴ preferably in the field of IT or equivalent professional experience of 10 years
- At least 3 years of working experience in IT field
- Proven contractual relation to a public administration or mandated body;
- Fluency in English;

Assets

- Experience as an expert in design/development of ICT solutions for inter-operability of the institutions in the area for counterfeiting of euro and drafting of technical specification for these solutions
- Experience in preparation of Feasibility study and/or Technical Specifications for supply of equipment for law-enforcement agencies
- Experience in at least 1(one) project related to design and/or development and/or management of technical solutions
- Knowledge in the procedures for establishment of data base;

Tasks of the short-term experts

- Preparation of model for inter-connection within the relevant institutions
- Preparation of Feasibility study and Need assessment
- Transferring knowledge and skills and exchange of experiences and best practices examples in conducting analysis in the field of counterfeiting of euro;
- Provision of findings, recommendations and reports as foreseen under the Project in close cooperation and coordination with the relevant institutions.

³ For reference on equivalent qualification see: EPSO website-Annex 1 (http://europa.eu.int/epso/on-line-applications/pdf/guide-1242-171104_en.doc)

⁴ For reference on equivalent qualification see: EPSO website-Annex 1 (http://europa.eu.int/epso/on-line-applications/pdf/guide-1242-171104_en.doc)

3.5.4 Translator / interpreter:

For the purpose of the project and for cost effectiveness the Twinning Light Project foresees one part time translator/interpreter for the project activities such as experts' missions, round tables, translation of project documents/mission reports, guidelines and other materials, etc. Translation/interpretation shall also be provided for the EU MS experts working in the regional offices.

4 Budget

The project will be implemented through a Twinning Contract estimated at maximum 250,000 EUR

Twinning Contract	Total (EUR)	IPA contribution	
	250,000	EUR	%
		250,000	100

In addition to the IPA budget as a rule, the BC institution should cover the non-eligible costs as per Twinning manual (Annex 7, art4; Article 14.9 of General Conditions)

5 Implementation Arrangements

5.1 Implementing Agency responsible for tendering, contracting and accounting

The Delegation of European Union will act as a Contracting Authority for the project, which will be responsible for all aspects for the project's tendering, contracting and payments.

The contact person on behalf of the EU Delegation is:

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5.2 Institutional framework

The Ministry of Interior and National Bank of the Beneficiary Country (BC), are the main beneficiaries of this project. In addition, the Department for Suppression of Organized and Serious Crime, in accordance with the legal regulations (primarily Law on Criminal Procedure), cooperates with the Public Prosecutor's Office, i.e the Basic Public Prosecution Office for Prosecuting Organized Crime and Corruption, as well as with the other public prosecutor's offices on the territory of the BC.

Considering that according to the Law on Criminal Procedure, the Public Prosecutor's Office is conducting the investigation, the organizational services of the Ministry of the Interior, act in accordance with the directions and orders of the competent Public Prosecutor.

Within the framework of inter-institutional cooperation, the Department for Suppression of Organized and Serious Crime cooperates directly with the National Bank as well as with the Customs Administration, the Financial Police, under the Ministry of Finance.

Competent institutions and key functions:

-Ministry of Internal Affairs, Ministry of Finance - Customs Administration, Ministry of Finance - Financial Police Department and National Bank.

In addition to coordination, the Office cooperates with related international organizations and national central offices by undertaking joint coordinated investigations, exchange of information and exchange of relevant analytical products.

- Ministry of Finance - Customs Administration (to upgrade each of its scope of jurisdiction)
- Ministry of Finance- Financial Police Office (to upgrade each of its scope of jurisdiction)
- National Bank of the Beneficiary Country (BC)

Based on the Decision on establishing the procedure for detection and withdrawal of counterfeit money (Official Gazette of the Country No. 42/11), separate organizational unit for performing technical analysis of counterfeited money was established within the **National Bank**, that functions on the same principles as the National Analysis Centers (NAC) and Coin National Analysis Centers (CNAC) within the member states of the EU

Co-ordination mechanisms between institutions and departments

The Ministry of Interior will be directly responsible for co-ordination and management of the project and will support the Twinning Light project team in organizational and technical matters. Activities will be conducted in close cooperation with the National Bank and respective Departments and the DEU.

In line with the relevant provisions of the Twinning Manual (Revision 2017) A Project Steering Committee (PSC) will be established at the beginning of the project to monitor the implementation of the project comprising of senior representatives the Beneficiary Country Project Leader, the Member State Project Leader, other representatives from MS and Beneficiary Country and the representatives from the Contracting Authority- EU the final and exact composition of the PSC will be agreed with the Contracting Authority at the start up of the project. Any observer to the PSC should be approved by the Contracting Authority.

MS and BC Twinning Light Partners will arrange regular and ad-hoc coordination and information exchange meetings with other stakeholders as necessary.

5.3 Main counterpart in the BC

5.3.1 Beneficiary Country:

Mr Sasho Jovanovski

Head of Unit for financial crime

Dimce Mircev nb.9

Skopje

Phone:+389 2 3143214_____

e-mail: SASO_JOVANSKI@moi.gov.mk

5.3.2 BC Project Leader will be:

Mr Lazo Jovanovski

Head of Department for suppression of organized and serious crime

Dimce Mircev nb.9

Skopje

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Fax:+389 2 _____

e-mail: lazo_jovanovski@moi.gov.mk

BC Contact person will be:

Mr. Sasko Kocev

Head of Sector for IPA and community programmes

Dimce Mircev 9

Skopje

Phone:+389 2 3334057

Fax:+389 2

e-mail:sasko_kocev@moi.gov.mk

6.Duration of the project

The implementation period will last 8 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.

7 Sustainability

The beneficiary administration is fully committed to ensuring long term impact of the Twinning Light project. The MS Twinning partners shall transfer the know-how necessary to achieve the mandatory results to the Beneficiary administration. During the project, the twinning partners should develop documents/handouts, guidelines that will be easily accessible for later use by the beneficiary administration. Staff benefiting from trainings/study visit shall transfer knowledge through subsequent training to their colleagues. Moreover, the proposed Evaluation/Lessons Learnt Seminar at the end of the implementation which capitalises and presents the concrete results with practical implications for further follow up will add to the sustainability of results. The mandatory results are fully in line with and contribute to the general Public Administration Reform Strategy (2017-2022), which envisages a set of steps, which should lead to more effective, efficient and improved management of institutions, human resources and processes, resulting with more efficient creation of policies, improved functionality and organization, merit-based human resources management, more efficient and cost effective public services, as well as bigger responsibility, reporting and transparency of institutions, servants and managing structures.

8 Crosscutting issues

8.1 Civil society

In compliance with the provisions of the IPA Implementing Regulation, the civil society will be involved through the mainstreaming mechanism developed. Representatives from the civil society shall be invited to participate in the workshops.

8.2 Equal Opportunity

The project will be implemented according to the regulations of the national legislation providing equal opportunities for men and women. Twinning partners will be expected to comply with EU Equal Opportunity policies.

8.3 Environmental considerations

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

8.4 Communication and publicity

All requirements to ensure the visibility of EU financing will be fulfilled in accordance with R. (EC). N. 718/2007⁵.

9 Conditionality and sequencing

9.2 Conditionality

Appointment of the relevant staff by the beneficiaries to participate in training activities is a condition to be reflected during project implementation.

9.3 Sequencing

10. Indicators for performance measurement (to be developed)

Keys milestones will be:

1. Approval of the Twinning project fiche;
2. Successful completion of a Twinning selection process;
3. Signature of the Twinning contract, including the Twinning Work Plan;
4. Commencement of the twinning partnership (inter alia, the arrival in the country of the Resident Twinning Advisers);
5. End of the implementation period;
6. Submission of the final report.

11. Facilities available

The project will be located in the premises of the Ministry of Interior. The Ministry of Interior will ensure appropriate support and basic equipment for the work of the experts. This includes administrative support, office space, computers, telephone and fax and other necessary facilities. This contribution should also include logistical support for various training activities, including selection of trainees (in consultation with the MS/Mandatory body experts), as well as providing the MS/Mandatory body experts with the documents and information necessary for project implementation. For Project interventions in regional offices, the latter shall provide the MS experts with all the necessary support throughout the period of their intervention.

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

ANNEXES TO ACTION DOCUMENT

1. Logical framework matrix in standard format (compulsory) PLEASE REFLECT THE ABOVE COMMENTS UNDER Results/ Activities in the log frame matrix too.
2. List of relevant Laws and Regulations (optional)

ANNEX 1

LOGFRAME PLANNING MATRIX	Strengthening the capacities of the system for fight against counterfeiting of EUR		
		Total budget: € 250 000	IPA budget: € 250 000

Overall objective	Objectively verifiable indicators	Sources of Verification
The main objective of this project is to support establishment a sound and efficient system for protection of the EU and national financial interests and an effective counterfeit surveillance at national, EU and international level in line with the Geneva Convention and the EU <i>acquis</i> in accordance with EU best practices	Efficient functioning of the key institutions responsible for this area	EC Reports EC Peer review reports

Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
The specific objective is to ensure efficient functioning of the system for fight against internationally organized crime activity in a specific area of criminality in form of forgery/counterfeiting of banknotes and coins	<ul style="list-style-type: none"> - Number of solved cases - Increased exchange of information among the relevant structures - Visibility of the institution - Strengthen capacities of the key institutions 	<ul style="list-style-type: none"> - EC reports; - Annual Report of the MoI and National Bank 	<ul style="list-style-type: none"> - Staff committed to respond to the tasks assigned and assisting the twinning partners during their assignment;
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Component 1 – MR 1: Further improvement and harmonisation of the legal framework and methodology of the system for fight against counterfeiting of EUR <ul style="list-style-type: none"> - Assessment of the existing legislation and a report with recommendations for improvement of the legislation prepared 	-Report with recommendations for improvement of the legislation and assessment of the existing legislation	<ul style="list-style-type: none"> - Lists of participants on trainings, evaluation forms, etc, - Training Reports; - Project reports - Report from the study trip of the Ministry of Interior, National Bank 	<ul style="list-style-type: none"> - Respective authorities and institutions have sufficient capacities and are willing to cooperate on the issues linked with implementation; - Highly motivated and trained staff remains in the key institutions;

<ul style="list-style-type: none"> - Internal procedures framework (by-laws and other) and methodology in accordance with EU best practices including examples from other MS prepared - Manual for handling with suspicious banknotes and coins with best practice example prepared - Guidelines for handling with suspicious banknotes and coins handling with suspicious banknotes and coins with best practice examples prepared 	<p>developed</p> <ul style="list-style-type: none"> - Number of proposed amendments and/or updates of existing SOPs and Manuals, according to the new Law on Criminal Procedure and other relevant legislation - Manual for handling with suspicious banknotes and coins with best practice example adopted and delivered to the police officers - Guidelines for handling with suspicious banknotes and coins handling with suspicious banknotes and coins with best practice examples adopted <p>-</p>	<p>Statistical reports from the Ministry of Interior and National Bank</p> <ul style="list-style-type: none"> - Legal department; 	
<p>Component 2-, MR2: Administrative capacity development of the system for fight against counterfeiting of EUR</p> <ul style="list-style-type: none"> - A comparative analysis of the organisational structure, functions and responsibilities of the relevant units in all key institutions in the system elaborated taking into consideration best EU practices in MS and a report with recommendations for improvement developed - Analysis of the current MOI organizational structure developed and recommendations for more efficient and effective structure for fight against counterfeiting of EUR prepared - Training needs analysis conducted, multidisciplinary training programme and National Training Plan prepared and implemented - Minimum 4 workshops on anti-counterfeiting of banknotes and coins organised (at least one workshop related to technical analysis of banknotes, ways of detection different printing techniques, new trends in counterfeiting etc.) - A study visit to Member State (10 participants for 5 days) conducted 	<ul style="list-style-type: none"> - A comparative analysis prepared of the organisational structure, functions and responsibilities of the relevant units in all key institutions in the system elaborated taking into consideration best EU practices in MS and a report with recommendations for improvement - Revised structure of the existing organizational unit within the Ministry of Interior adopted - Training needs analysis developed, multidisciplinary training programme and National Training Plan adopted and implemented - Number of persons trained in the workshops on anti-counterfeiting of banknotes and coins organised - Number of persons participated in the study visit 		

<p>Component 3, MR3: - Further improvement and integration of the data base and IT system used for fight against counterfeiting of EUR</p> <ul style="list-style-type: none"> - Current situation analysed and recommendations prepared in view - Feasibility study prepared for integration of all key institutions in the system for efficient exchange of information in resolving cases related to counterfeiting of EUR - A study visit conducted for 5 persons - Recommendations provided for improvement of availability of data to the defined users of database 	<ul style="list-style-type: none"> - Recommendation and analyses on current situation adopted - Feasibility study for inter-connection with with all key institutions in the system prepared 		
Activities	Means	Specification of costs	Assumptions
<p>Component I</p> <ul style="list-style-type: none"> - To prepare an Assessment report of the existing legislation with recommendations for improvement of the existing legal framework - To revise and upgrade of internal procedures framework(by-laws and manuals) and enhance methodology in accordance with EU legislation - To preparae a manual for handling of suspicious coins for key institutions (Ministry of Interior, National Bank) <p>Component II</p> <ul style="list-style-type: none"> - To conduct analysis for defining functions and responsibilities of the institutions with corresponding units in competent national authorities of a Member state and 	<p>MS twinning partner input:</p> <ul style="list-style-type: none"> - 1 MS Project Leader, - pool of short-term experts. <p>BC partner input:</p> <ul style="list-style-type: none"> - 1 BC Project Leader, - BC contact person, - Key institutions staff. 	<p>EURO 250.000</p>	<ul style="list-style-type: none"> - Appropriate expertise is available (in view of limited experience with IPA); - Beneficiary institutions can make (qualified) staff available to participate actively and contribute in all Project activities.

<p>development of a report with recommendations for improvement</p> <ul style="list-style-type: none"> - To carry out strategic training needs analysis (TNA) based on the report under 2.1 and covering the whole system for fight against counterfeiting of EURO Based on the TNA, to elaborate a National Training Plan (with concrete priorities, target groups, responsible institutions, timing, financial and human resources) - To organise a workshop on best practices in EU MS in regard to the system for fight against counterfeiting of EUR - To carry out a workshop for the staff of centres for fight against counterfeiting of EUR for raising public awareness and external communication to general public in cases of huge quantities of counterfeits in the cash cycle by presenting the different practices within the EU Member States - To organise a study visit to Member State (10 participants for 5 days), in order to get acquainted with the organisation <p>Component III</p> <ul style="list-style-type: none"> - To analyse current situation of existing data base and IT system and prepare a report with recommendations for upgrade of the system - To develop a Feasibility study for the integration of all key institutions in the system for efficient exchange of information in resolving cases related with counterfeiting of EUR - Organization of study visits 			
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Preconditions:

- 1) Appointment of counterpart in the beneficiary before launching the tender procedure;
- 2) Allocation of working space and facilities by the beneficiary for technical assistance before launching the tender procedure;
- 3) Organisation, selection and appointment of members of working groups, steering and coordination committees, seminars by the beneficiary for the proper functioning of the project;
- 4) Appointment of the relevant staff by the beneficiaries to participate in training activities.

ANNEX 2 – List of relevant Laws and regulations

- Criminal Code of the BC Counterfeiting money is a crime defined in Article 268 of the Criminal Code of the Country (Official Gazette no.37/96, 80/99, 4/2002, 43/2003, 19/2004, 81/2005, 60/2006, 73/2006, 87/2007, 7/2008, 139/2008, 114/2009, 51 / 11, 135/11, 185/11, 142/12).- "Counterfeiting of Money", Article 271 - "Making, Acquiring or Disposing of Counterfeit Assets" and Article 271-a - "Special cases of forgery of money, securities or signs for value "of the Criminal Code
- Law on the National Bank of the Country and the by-laws which derive from it. Article 29 of the Law on the NBRM (Official Gazette of the Country No. 158/10, 123/12, 43/14, 153/15 and 6/16).
- The BC on March 7, 2005 ratified the International Convention for the suppression of counterfeiting currency, adopted in Geneva on 20 April 1929.
- Agreement on operational and strategic cooperation between the BC and Europol - was ratified by the Country (Official. Gazette 172/11), enabling operational and strategic cooperation between BC and Europol and improving the fight against serious forms of international crime, especially through the exchange of information. According International Convention for the suppression of counterfeiting currency, the Europol has been assigned the role of the Central Office to Combat Counterfeiting of the Euro and in the context of its mandate Europol centralises and processes all information to facilitate the investigation and forward this information to the national offices of the Member States, directly communicates with the central offices in third countries send them current euro bank notes and regularly notifies them of the new issued currencies, withdrawn from use, for all counterfeit euro currencies detected, details of counterfeiting and similar but.

By-laws

- Decision on the establishment of a Central Bureau of Investigation in the field of combating counterfeiting money (Official Gazette no. 61/2011) adopted in accordance with Article 12 of the International Convention for the suppression of counterfeiting of currency, with
- The Decision on establishing the procedure for detection and withdrawal of counterfeit money (Official Gazette of the Country No. 42/11) was adopted by the NBRM Council and covers the area of defining the counterfeiting, defining of the procedure for detection and withdrawal of counterfeit money for financial and other institutions, the procedure for identifying the characteristics of the counterfeits carried out in the '*National Bank of the Republic of Macedonia*', the manner of keeping records in the National Bank the cooperation between the National Bank, the Ministry of Interior and all relevant domestic and foreign institutions that are included in the system for suppressing of counterfeiting of both domestic and foreign currencies and notification of the emergence of counterfeits.- The obligation for financial and other institutions for authentication of money is also regulated with the Decision on the authenticity and fitness checking and recirculation of banknotes and coins and the manner of conducting supervision (Official Gazette of the Country No. 54/17). This Decision was also adopted by the NBRM Council.
- Pursuant to section 7 of the Decision establishing a Central Bureau of Investigation in the area of counterfeiting of money no. 51-1665 / 1 from 26.04.2011, and as proof of their commitment and interest in promoting cooperation in the field of combating money falsifying, signed a Memorandum of Cooperation between the Ministry of Interior, Ministry of Finance, Customs Department, Ministry for Finance - Financial Police Directorate and the National Bank

1. The Law on Police arise following by-laws:

- Regulations on the content and manner of keeping records of the police and the form and content of the records of the Police (Official Gazette no. 78/2007) - Article 2, item 13 of this Regulation specifies Register counterfeit money detected, counterfeited monetary units-euros and other counterfeit foreign currencies.