

Action Summary

Horizontal Facility for the Western Balkans and Turkey II Action against Economic Crime in the Republic of North Macedonia (HFII-AEC-MKD)

Project title	Action against Economic Crime in the Republic of North Macedonia (HFII-AEC-MKD)
Project area	Republic of North Macedonia
Budget	€775,000
Funding	European Union / Council of Europe
Implementation	Economic Crime and Cooperation Division, Unit I DG I, Council of Europe
Duration	36 Months

I. Background

The European Union/Council of Europe Horizontal Facility for the Western Balkans and Turkey (also referred to as: Horizontal Facility phase II or HF II) is a co-operation initiative of the European Union and Council of Europe for South East Europe. The first phase of the Horizontal Facility ran from May 2016 to May 2019, and was succeeded by Horizontal Facility phase II, which will be implemented from May 2019 to May 2022. The second phase of the Horizontal Facility will continue to build on the Statement of Intent signed on 1 April 2014 by the Secretary General of the Council of Europe and the European Union Commissioner for Enlargement and European Neighbourhood Policy, in which both Organisations agreed to further strengthen their co-operation in key areas of joint interest.

The Horizontal Facility includes Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, Serbia and Turkey. Beneficiaries and counterparts include governmental bodies at all levels, notably specialised structures within the Ministries of Justice, Interior and Finance; anti-corruption bodies; Judicial and Prosecutorial Services, supervisory bodies; Financial Intelligence Units (FIUs), and representatives of civil society.

II. Action in the Republic of North Macedonia

The Action against Economic Crime in the Republic of North Macedonia (HFII - AEC-MKD) seeks to increase trust in the rule of law and democracy in the North Macedonia by strengthening anti-corruption

* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

and anti-money laundering and countering terrorist financing regimes.

The above overall objective will be achieved through interventions aimed at:

1. Improving legal and operational framework on preventing and combating corruption;
2. Strengthening the Asset Recovery Framework
3. Enhancing the AML/CFT prevention mechanisms

III Project objectives and outcomes

The overall objective of the action is to contribute to increasing the trust in rule of law and democracy in the Republic of North Macedonia.

The specific objectives of the action are:

Preventing and Combating Corruption	Intermediate Outcome 1	Improved legal and operational framework on preventing and combating corruption
	Immediate Outcome 1	Effective implementation and monitoring of whistleblower protection framework.
	Immediate Outcome 2	Institutional and analytical capacities of the State Commission for Prevention of Corruption (SCPC) are enhanced (quantity and quality wise).
	Immediate Outcome 3	Monitoring capacities of the (SCPC) on the implementation of political party and election campaigns financing are strengthened.
Asset Recovery	Intermediate Outcome 2	Strengthened Asset Recovery Framework
	Immediate Outcome 1	Capacity and Institutional Building on Asset Recovery is available for law enforcement and criminal justice sector[s].
	Immediate Outcome 2	Improved Asset Recovery Regime[s] legal framework
AML/CFT Prevention Mechanisms	Intermediate Outcome 3	Enhanced AML/CFT prevention mechanisms
	Immediate Outcome 1	AML/CFT Regulation in line with National Risk Assessment findings and new international standards.
	Immediate Outcome 2	Analytical capacities of the Financial Intelligence Office are enhanced.
	Immediate Outcome 3	Cascaded AML/CFT compliance training for AML/CFT supervisors is developed
	Immediate Outcome 4	Methodology for risk-based supervision of the financial and non-financial sector is developed.
	Immediate Outcome 5	Implementation of targeted financial sanctions enhanced
	Immediate Outcome 6	Operational capacities for oversight of sanctioning regime Financing of Terrorism and Proliferation introduced
	Immediate Outcome 7	Beneficial Ownership Registry introduced

IV Implementation arrangements

As the key actor in this thematic area, the Council of Europe's Economic Crime and Cooperation Division (ECCD) oversees implementing the activities under HF II-AEC-MKD.

In addition, based on the activity needs and intervention profiles the Council of Europe will engage several international long-term and short-term consultant/experts and local consultants/experts, service providers and suppliers, to ensure the proper implementation of the action.

A Project Officer is based in the Council of Europe Programme Office in Skopje. She works directly with the beneficiaries and is supervised by the Administrator and Project Manager of the Horizontal Facility Programme based in Strasbourg at the Economic Crime and Cooperation Division.

IV Contacts

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