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FIFTH EVALUATION ROUND

Preventing corruption and promoting integrity in
central governments (top executive functions) and
law enforcement agencies

COMPLIANCE REPORT

NORTH MACEDONIA



Adopted by GRECO
at its 87th Plenary Meeting (Strasbourg, 22-25 March 2021)



Group of States against Corruption
Groupe d'États contre la corruption

COUNCIL OF EUROPE



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I. INTRODUCTION

1. GRECO's Fifth Evaluation Round deals with "Preventing corruption and promoting integrity in central governments (persons entrusted with top executive functions -PTEF) and law enforcement agencies (LEA)".
2. This [Compliance Report](#) assesses the measures taken by the authorities of North Macedonia to implement the recommendations issued in the Fifth Round Evaluation Report on North Macedonia which was adopted at GRECO's 82th Plenary Meeting (18-22 March 2019) and made public on 27 June 2019, following authorisation by North Macedonia ([GrecoEval5rep\(2018\)7E](#)).
3. As required by GRECO's Rules of Procedure¹, the authorities of North Macedonia submitted a Situation Report on measures taken to implement the recommendations. This report was received on 31 December 2020 and served, together with additional information, as a basis for the Compliance Report.
4. GRECO selected the Czech Republic (with respect to top executive functions in central governments) and Azerbaijan (with respect to law enforcement agencies) to appoint Rapporteurs for the compliance procedure. The Rapporteurs appointed were Ms Helena KLIMA LIŠUCHOVÁ, on behalf of the Czech Republic, and Mr Kamal JAFAROV, on behalf of Azerbaijan. They were assisted by GRECO's Secretariat in drawing up the Compliance Report.
5. The Compliance Report examines the implementation of each individual recommendation contained in the Evaluation Report and establishes an overall appraisal of the level of the member's compliance with these recommendations. The implementation of any pending recommendation (partially or not implemented) will be assessed on the basis of a further Situation Report to be submitted by the authorities 18 months after the adoption of the present Compliance Report.

II. ANALYSIS

6. GRECO addressed 23 recommendations to North Macedonia in its Evaluation Report. Compliance with these recommendations is dealt with below.

Preventing corruption and promoting integrity in central governments (top executive functions)

Recommendation i.

7. *GRECO recommended (i) that in respect of employment of persons hired at the discretion of central government functionaries to give advice to functionaries or to perform similar functions rules on incompatibilities and vetting based on integrity criteria be introduced; and (ii) that the names and contractual benefits (salaries etc.) of those hired for these positions are made easily accessible online and, when part-time recruitment/ad hoc engagement is the case, that information on their main job/activities is included*
8. The authorities report on the adoption in August 2020 of a new "Code of Ethics for members of Government and holders of the public office appointed by Government". The Code introduces principles (rule of law, pursuit of the public interest, accountability, transparency, etc.) and rules of behaviour (e.g. avoidance of conflicts of interest, separation of state and party interests,

¹ The Compliance procedure of GRECO's Fifth Evaluation Round is governed by its Rules of Procedure, as amended: Rule 31 revised bis and Rule 32 revised.

interaction with lobbyists, acceptance of gifts, use of material resources, travel, etc.). In addition to the Prime Minister, Deputy Prime Minister, ministers and their deputies, it applies to all top executive functionaries (PTEFs) appointed by Government, including directors of autonomous bodies, directors and members of boards of public companies, managers of state-owned joint stock companies, etc. Article 24 stipulates that the Code moreover applies, as appropriate, to advisers appointed by the Prime Minister and special advisers hired by ministers. When signing an employment contract, they are to agree to be bound by the Code.

9. The authorities also inform that the new Government has appointed a Deputy Prime Minister responsible for the fight against corruption and crime, sustainable development and human resources to demonstrate the high importance attributed to the fight against corruption.
10. With respect to the second part of the recommendation, the authorities refer to the Government's website², where information on the names, functions and salaries of all advisers in central government is regularly published.
11. GRECO notes, regarding the first part of the recommendation, that the new Code of Ethics for members of Government is mandatory for all advisers in central government. It contains rules on the avoidance of conflicts of interest, including a ban on performing other activities that may affect the impartial performance of duties and a requirement to abide by the Law on Prevention of Corruption and Conflicts of Interest (notably, prohibition on the performance of other activities, restrictions on the carrying out of activities in parallel to the exercise of a public function and on cooperation with legal entities, prohibitions on the misuse of official data, the use of loans and of other state support and exerting influence regarding the employment of close relatives). GRECO notes that incompatibility rules have been established for all categories of advisers in central government, as is requested. As for vetting based on integrity criteria, information provided on recommendation ii suggests that it meets GRECO's prerequisites. This part of the recommendation is therefore considered implemented satisfactorily.
12. Concerning the second part of the recommendation, GRECO is satisfied that the names, functions and salaries of all advisers are now systematically published online and that this part of the recommendation has been implemented satisfactorily as well.
13. GRECO concludes that recommendation i has been implemented satisfactorily.

Recommendation ii.

14. *GRECO recommended (i) to systematically carry out integrity risk assessment in central government covering all functionaries and personal advisers and external associates, as appropriate; (ii) to put in place appropriate remedial measures and to provide adequate resources to internal control units and bodies responsible for offering methodological advice in this area; and (iii) to regularly evaluate the impact and effects of integrity measures in central government (e.g. declaration of interests and assets) and to make the results public.*
15. The authorities inform, regarding the first part of the recommendation, that in July 2020, the State Commission for the Prevention of Corruption (SCPC) established a Working Group responsible for the development of "An Integrity System for central government and local self-government units", in co-operation with the OSCE and IPA II – Transparency and Accountability project. The Group met in October and December 2020. Its goal is to prepare and implement

² https://vlada.mk/sites/default/files/dokumenti/vraboteni_vo_kvprsm_-_12.2020.pdf and https://vlada.mk/sites/default/files/dokumenti/nadvoreshni_sorabotnici.pdf

tools for strengthening integrity such as: corruption risk assessments at institutional and sectoral level, integrity training programmes, conflicts of interest management, awareness measures on whistle-blower protection, monitoring of the integrity obligations at central and local level. The authorities also mention that on 1 March 2020, the Cabinet of the Deputy Prime Minister responsible for the fight against corruption adopted an “Integrity Test” for advisers in central government, ~~AI-422~~ such advisers have already taken and passed this mandatory test. Moreover, those advisers who have access to state secrets are subject to security clearance by the Security Service of the Ministry of the Interior.

16. Concerning the second part of the recommendation, the authorities submit that:
- the SCPC’s budget has grown since 2018 (by 25% in 2019, 55.04% in 2020 and 61.43% in 2021);
 - the SCPC’s staff has been increased (6 new posts were established in 2019 and 8 in 2021);
 - internal audit units across central government increased from 90 in 2019 to 91 in 2020 and the number of internal auditors grew from 133 in 2019 to 137 in 2020.
17. With respect to the third part of the recommendation, the following overview of the SCPC’s activities between January and December 2020 is provided:
- the Department for Prevention of Conflicts of interest and Lobbying worked on three cases concerning ministers, one case concerning the Prime Minister, one case concerning a Deputy Prime Minister and two cases concerning advisers in central government. One request for an opinion was received concerning the Prime Minister and one concerning a minister. Cases regarding the existence of a conflict of interest or non-submission of an asset declaration were initiated in respect of four ministers, one Deputy Secretary General of the Government and one adviser in central government. Misdemeanour orders within the latter procedure were issued to three ministers and one Deputy Prime Minister;
 - The Department for Monitoring Property Status and Interests worked on eleven cases concerning the fulfilment by deputy ministers/ministers of the obligation to report property status.
18. GRECO takes note of the information provided. Regarding the first and third parts of the recommendation, the information does not reflect that any integrity risk assessments or regular evaluations of the impact and effects of integrity measures in the central government have been carried out, as requested. These parts of the recommendation are therefore not implemented. With respect to the second part of the recommendation, it would appear that the resources of the SCPC, as one of the two bodies referred to in the Evaluation Report (paragraph 46), have been increased. In so far as the capacities of the Ministry of Finance, the other entity referred to, they have not been reinforced to cope with the multiple challenges identified in paragraph 46 of the Evaluation Report. Some positive steps in the right direction have been made, but these remain relatively minor.
19. GRECO concludes that recommendation ii has been partly implemented.

Recommendation iii.

20. *GRECO recommended that the Ethical Code applicable to persons entrusted with top executive functions i) be subject to enforcement by means of a mechanism equipped with sanctioning powers; and ii) be subject to systematic awareness raising in respect of persons entrusted with top executive functions via training, dedicated guidance and counselling, including confidential counselling*

21. The authorities state, with respect to part (i) of the recommendation, that enforcement of the new “Code of Ethics for members of Government and holders of the public office appointed by Government” is incumbent on a specially designated member of the Government, the Deputy Prime Minister, who is responsible for the fight against corruption and crime. S/he is to submit to the Prime Minister a report on compliance by PTEFs with the Code every six months and within 10 days prior to the end of the Government’s mandate. In the event of non-compliance, s/he is to warn the PTEF concerned, in writing or verbally, of the breach of the Code and to demand that the conduct is corrected. In the event of continued non-compliance, the Prime Minister may a) formulate an expression of disagreement, i.e. an official criticism and a notification to correct the conduct, which can be pronounced publicly; b) invoke political responsibility and request that the PTEF concerned resigns or propose his/her dismissal; and/or c) notify the competent institutions of a violation of the Code or the law (e.g. the Law on Prevention of Corruption and Conflict of Interests, the Law on Whistle-blower Protection and the Law on Lobbying).
22. The authorities add that the monitoring mechanism has already been tested in practice. The responsible Deputy Prime Minister asked the Government to dismiss the Director of the National Agency for European Educational Programmes and Mobility due to unethical conduct (allegations of improper financial transactions and disregard for the Agency’s reputation). After obtaining the Prime Minister’s approval, the Agency’s Management Board dismissed the Director in question.
23. In respect of part (ii) of the recommendation, the authorities inform that a training event aimed at presenting the Code to the Prime Minister and ministers was held in November 2020. It was run by an adviser specifically employed for this purpose in the cabinet of the responsible Deputy Prime Minister. A training event for other PTEFs was conducted in December 2020 and more training events and awareness-raising initiatives are being prepared with the involvement of the SCPC.
24. The authorities also report that the Code provides that the designated member of the Government is to give advice on ethical conduct related to the Code and to issue general recommendations *ex officio* or at the request of a PTEF. All PTEFs are to cooperate with him/her and to provide all relevant information, unless confidential. The PTEFs are also to timely inform the Prime Minister and the designated member of Government in case of a suspicion regarding the Code’s application. The authorities further point out that the majority of central government institutions (25) have appointed their own advisers for integrity, conflicts of interest, acceptance of gifts and related issues (confidential councillors).
25. GRECO takes note of the information provided. With respect to part (i) of the recommendation, it welcomes that compliance with the new Code of Ethics is mandatory for PTEFs (as well as advisers in central government). Breaches of the Code may lead to graduated sanctions, including dismissal. The implementation of the Code is entrusted to a specially designated member of the Government and the Prime Minister and appears to be operational. GRECO accepts that the underlying concerns of this part of the recommendation have been met and that it has been implemented satisfactorily.
26. Concerning part (ii) of the recommendation, GRECO notes that two introductory training events on the new Code of Ethics were held for government members and selected PTEFs from central government. It looks forward to being informed of further training initiatives planned for PTEFs on a systematic level. In respect of confidential counselling, GRECO is critically concerned that, according to the Code, the same person who is to investigate and sanction PTEFs for violating

the Code, that is the Deputy Prime Minister, is to give confidential advice. These functions are not compatible with GRECO practice. Moreover, the wording of Article 22 of the Code (“Reporting a suspicion of conflicts of interest”) indicates that the reporting of a suspicion of a breach of the Code is also to be made to the same person who is to provide for confidential counselling. This mix of contradictory functions needs to be eliminated, and provisions on interpretation, advice and counselling clearly separated from those on reporting breaches. GRECO concludes that this part of the recommendation has not been implemented, even partly.

27. GRECO concludes that recommendation iii has been partly implemented.

Recommendation iv.

28. *GRECO recommended amending government rules to ensure that the names and function of all attendees of government sessions, sub-committees and working groups, including any third parties, are publicly accessible online.*

29. The authorities report that in December 2020 the Government amended its Rules of Procedure and published them in the Official Gazette. Article 80 of the Rules now includes the following paragraph: “The list of all invited directors of state administration bodies, their name, surname and the title of their function are to be posted on the Government’s website when scheduling governmental sessions”.

30. The authorities moreover inform that on 11 March 2020, the Government amended its rules of procedure to ensure that the names of other third parties, such as directors of other bodies of state administration, representatives of public enterprises, associations, foundations, public institutions and other legal entities, invited to government sessions are publicly accessible online.

31. GRECO notes that the revised Article 80 of the Government’s Rules of Procedures now provides for the publication of the names of any third party invited to government sessions. Nonetheless, there is still no indication that such rules apply to governmental sub-structures (e.g. boards, commissions, expert councils) as required by the recommendation.

32. GRECO concludes that recommendation iv has been partly implemented.

Recommendation v.

33. *GRECO recommended introducing rules governing i) the interaction of persons entrusted with top executive functions with lobbyists and third parties seeking to influence the public decision-making process; and ii) the regular disclosure of such contacts, including the subject matter(s) discussed, and the identity of the persons participating and/or represented at such meetings.*

34. The authorities refer to the previously mentioned new Code of Ethics for members of Government (cf. recommendation iii). It includes a section on “Relations with lobbyists” under which PTEFs are to consistently observe the Law on Lobbying as well as *inter alia* to: “prepare minutes with subject matters discussed and the identity of the lobbyist met; publish a copy of the minutes on the website of the institution they manage; and publish information on meetings with lobbyists and information on contacts established with third parties, i.e. stakeholders.”

35. The authorities also inform that, in December 2020, the Government agreed on a new draft Law on Lobbying prepared by the Ministry of Justice, which is currently pending before Parliament. Similarly to the current law, the draft regulates lobbying principles, the conditions for acquiring

a lobbyist position, the registration of lobbyists, maintenance of the Register of Lobbyists, their rights and obligations, the activities that are not deemed to constitute lobbying and the measures that can be imposed on lobbyists for breaches of this law. The novel element pertains to the reinforcement of the role and competences of the SCPC in this area by re-assigning to it the responsibility for maintaining the Register of Lobbyists.

36. GRECO welcomes the elaboration of rules governing PTEFs' interaction with lobbyists and third parties seeking to influence the public decision-making process. These seem to offer an adequate framework for averting integrity and corruption-related risks. However, based on the information provided it cannot yet see that rules have also been elaborated to allow for regular disclosure of such contacts, i.e. where and when to publish such minutes/contacts. GRECO concludes that part (i) of the recommendation has been implemented satisfactorily and part (ii) of the recommendation has not been implemented.
37. GRECO concludes that recommendation v has been partly implemented.

Recommendation vi.

38. *GRECO recommended that the rules on ad hoc disclosure and the management of situations of conflicts of interest be complemented with practical guidance and practical measures for their implementation, such as dedicated training, counselling and awareness-raising for persons entrusted with top executive functions.*
39. The authorities inform that, in November 2020, the SCPC adopted the "Practical guide to the rules for ad hoc detection and handling of cases of conflicts of interest for members of Government of North Macedonia" (available in English <https://dksk.mk/wp-content/uploads/2020/12/Managing-conflict-of-interest.pdf>). In December 2020, the SCPC presented it to the Prime Minister and ministers at an online workshop. Moreover, the SCPC organised six consultations on conflicts of interest for the Prime Minister, the Deputy Prime Minister responsible for the fight against corruption, the Minister of Justice, the Minister of Transportation and Communication (and all their advisers) and for the directors of companies formed by the government.
40. GRECO welcomes the development of the Practical guide with clear instructions for PTEFs on how to identify conflicts of interest, how to reduce their occurrence, how to seek advice on an ethical dilemma and who to report actual conflicts to. While noting that the guide has been presented to members of government, GRECO expects that awareness-raising initiatives, such as training and counselling, be organised for all PTEFs, including all members of government.
41. GRECO concludes that recommendation vi has been partly implemented.

Recommendation vii.

42. *GRECO recommended that the existing rules on the acceptance of gifts by persons entrusted with top executive functions be simplified and that advice on how to manage such situations be provided*
43. The authorities inform that in December 2020, on the initiative of the Deputy Prime Minister responsible for the fight against corruption and the Ministry of Finance, amendments were introduced to the "Decree on the criteria, the giving and receiving gifts, declaration of gifts, valuation of gifts, purchasing personal gifts, and the use, storage and keeping of records of gifts that become the property of the state".

44. GRECO takes note of the revisions of the aforementioned Governmental Decree (made available in English). These have eliminated several shortcomings highlighted in the Evaluation Report concerning gifts: they reduce the threshold for acceptable *foreign* protocol gifts (from €100 to €50), establish a threshold for acceptable *domestic* gifts from any person (€20) and set out a procedure and form for reporting acceptable protocol gifts from any person. GRECO furthermore notes that the new Code of Ethics for members Government has introduced clearer provisions on gifts (Article 17). That said, there is no information on how to manage situations arising from the acceptance of gifts by PTEFs, as requested.

45. GRECO concludes that recommendation vii has been partly implemented.

Recommendation viii.

46. *GRECO recommended that the oversight in respect of declarations of interests and assets of persons entrusted with top executive functions in the government be strengthened by (i) providing the State Commission for the Prevention of Corruption (SCPC) with human and financial resources, competences, methodologies and tools that are proportionate to the proper and effective performance of its duties; (ii) establishing an appropriate verification mechanism and conducting investigations when necessary and (iii) making its results public, as appropriate*

47. The authorities report, with respect to part (i) of the recommendation, that, on 8 February 2019, Parliament appointed the members of the SCPC, including the president and six members with a five-year tenure. In August 2020, 6 new posts were established in the SCPC's Department for Conflict of Interests and Lobbying (of which 3 are filled) and 6 new posts in the Department for Monitoring of Property Status and Interests (of which 5 are filled).

48. With respect to part (ii) of the recommendation, the authorities inform that the SCPC has embarked on a multiannual public procurement process (2021-2023) which envisages the development of a Register of elected and appointed persons, electronic submission of asset declarations, their publication in a format which can be mechanically processed, the development of software for electronic collection and processing of data from other institutions as well as document management and overall system maintenance. The costs of this project form part of the SCPC's budget and the overall state budget, to be annually approved by the Government.

49. Concerning part (iii) of the recommendation, the authorities stress that the SCPC regularly publishes its operational and annual reports. These appear on the SCPC's new website (<https://dksk.mk/>) which is regularly updated. Data on the property status of elected and appointed persons, including PTEFs, can be found on this website in the "Registries" section. The SCPC's sessions are public and open to the media.

50. The authorities moreover indicate that in the course of 2020, the SCPC registered and published a total of 79 asset declarations by PTEFs. In the same period, the SCPC issued a total of 55 misdemeanour payment orders, in accordance with Article 82 and 85 of the LPCOI referring to the obligation to report property status. Thirteen of these orders were issued to deputy ministers and 3 ministers. In 2019-2020, the SCPC also acted on 12 corruption-related cases concerning: one minister, one technical minister, one Deputy Prime Minister, one adviser to the Prime Minister and the Secretary General of the Government.

51. GRECO takes note of the information provided. With respect to part (i) of the recommendation, it already acknowledged under recommendation ii) that substantial financial resources have

been injected into the SCPC's budget, with a direct effect for the development of software, databases, etc. The SCPC's human resources are also being gradually strengthened, i.e. the positions established are being filled. However, most of these processes appear to be at an early stage. They also affect the implementation of the other two parts of the recommendation. For example, the necessary technical tools for verifying asset declarations do not appear to be in place. Furthermore, it is too early to assess the effectiveness of the SCPC with respect to the cases reported. GRECO accepts that some action has been taken but more detailed reporting is needed to assess the situation. GRECO urges the authorities to accelerate all relevant processes to ensure that the SCPC becomes fully functional to properly perform its duties under the applicable laws. All parts of the recommendation are as yet partly implemented.

52. GRECO concludes that recommendation viii has been partly implemented.

Recommendation ix.

53. *GRECO recommended analysing the practical application of the system of sanctions in respect of violations of conflicts of interest, integrity and anti-corruption legislation/regulation and ensuring that the sanctions are effective, proportionate and dissuasive*
54. The authorities refer to the statistics on the operation of the SCPC detailed under recommendations ii and viii which demonstrate the large number of sanctions imposed for misdemeanours by public office holders, including PTEFs. Pursuant to the 2019 Law on Misdemeanours, this misdemeanour procedure has been simplified: the option to postpone it by filing a complaint with the (second instance) Commission for Misdemeanour Procedures has been abolished, and the perpetrator in respect of whom a fine is imposed can now seek judicial protection directly at an administrative court. For the authorities this data confirms that the sanctions established by law and by the new Code of Ethics for members of Government are efficient and imposed by the competent authorities as part of their everyday duties.
55. GRECO recalls that paragraph 107 of the Evaluation Report identified several deficiencies inherent in the sanctioning regime foreseen for the violation of conflicts of interest, integrity and anti-corruption rules. For example, sanctions were not provided for all violations established by law, and monetary fines were assessed as not meeting the prerequisites of effectiveness, proportionality and dissuasiveness. It does not appear that an adequate analysis of the practical application of the system of sanctions has been carried out nor that the sanctioning regime has been revised to address these shortcomings.
56. GRECO concludes that recommendation ix has not been implemented.

Regarding law enforcement agencies

Recommendation x.

57. *GRECO recommended that (i) sufficient operational independence of the police vis-à-vis the Ministry of the Interior be provided and ensured in practice, and (ii) pertinent measures be taken in order to ensure individual police officers' duty to comply with the existing rules on integrity and impartiality in order to carry out their functions in a politically neutral manner in practice (e.g. through awareness, training, sanctions etc.).*
58. The authorities refer to draft amendments to the Law on Internal Affairs. In so far as part (i) of the recommendation is concerned, the draft amendments provide that operational orders

within the police are to be issued by the Director of the Public Security Bureau (i.e. Head of Police) instead of the Minister of the Interior.

59. With regard to part (ii) of the recommendation, the draft amendments list in the general employment conditions of service in the Ministry of the Interior (Mol) a prohibition on employees being members of a political party or a body of a political party. Candidates for employment are to submit a written statement in which they pledge compliance in this respect. Non-compliance constitutes a “more serious” disciplinary offence for employed staff.
60. The authorities additionally inform that the Mol’s Internal Control Department adopted a “Programme for strengthening the ethical capacity of employees of the Ministry of Interior”. In November 2020, the first online workshop on “Conflict of interests, political neutrality and integrity” was held for officers of Prevention Offices of the Internal Affairs Department and Regional Centers of Border Affairs. It was organised jointly by the Mol’s Internal Control Department and the SCPC, aimed at promoting awareness of the Programme and will be replicated throughout the Mol in the future.
61. GRECO takes note of the draft legislation, which is relevant for both parts of the recommendation, but it is too early in the law-making process to properly assess it. Although some training activities on integrity matters are reported, they can only be considered in conjunction with the reforms promoting the operational independence and depoliticisation of the police required by the recommendation which have not yet materialised.
62. GRECO concludes that recommendation x has not been implemented.

Recommendation xi.

63. *GRECO recommended increasing the transparency of the police by enhancing access to information inter alia by making reports on the results of its activities and decision making, police budgets, administrative proceedings, including public procurement reports, statistics, rulebooks and similar information publicly accessible, preferably on-line.*
64. The authorities inform that the following is now posted on the Mol’s website: the ministry’s budget, reports on the results of the Public Security Bureau’s (PSB) activities and decision making, statistical reports on disciplinary procedures, data on criminal offences committed by the ministry’s employees and data on public procurement³. These are regularly and continuously updated.
65. GRECO is pleased that information on the PSB’s budgets, decisions taken and activities performed is made accessible online, as is requested, and concludes that the recommendation has been implemented satisfactorily.
66. GRECO concludes that recommendation xi has been implemented satisfactorily.

Recommendation xii.

³ <https://mvr.gov.mk/profilepage/sektor-za-finansij> (annual budgets, annual final accounts), <https://mvr.gov.mk/page/revizorski-izvestaj> (audit reports), <https://mvr.gov.mk/page/planovi-javni-nabavki> (public procurement - plans, register of agreements and annexes of agreements), <https://mvr.gov.mk/analiza/kriminal/63> (data on criminal offences).

67. *GRECO recommended adopting focused, results-oriented and consolidated corruption prevention and integrity policies for the police, fully integrated into the national anti-corruption planning process, based on systematic and comprehensive review of risk prone areas, accompanied by targeted mitigating and control measures which are subject to regular evaluation and impact assessment.*
68. The authorities refer to the previously mentioned new Code of Ethics for the Mol employees, adopted in November 2020, and to the first online workshop on the Code held on 23 November 2020 for heads of Prevention Offices in the Internal Affairs Departments and Regional Centres for Border Affairs. They also refer to the analysis of corruption risks for posts in the Mol elaborated by the Mol.
69. GRECO recalls that this recommendation was prompted by the existence of ambitious yet repetitive annual anti-corruption programmes adopted by the Mol's Internal Control Department. These had been developed without proper risk mapping. Their implementation had never been subject to evaluation or impact assessment. Moreover, links had not been established between them and the state programmes for the repression of corruption and reduction of conflicts of interest. Although some preliminary steps appear to have been taken to assess corruption risks for certain positions within the Mol, a more structured and sustainable approach needs to be demonstrated in order to even partly comply with the requirements of this recommendation.
70. GRECO concludes that recommendation xii has not been implemented.

Recommendation xiii.

71. *GRECO recommended establishing a pertinent mechanism within the police in order to manage risks of corruption.*
72. The authorities report that, in order to give effect to this recommendation, the Mol's job systematisation was modified. Namely, in November 2019, 4 new positions were established in its Internal Control Department:
- 2 positions in the Office for Integrity, Prevention of Corruption and Protection of Human Rights (Chief Confidentiality Inspector and Senior Police Consultant for management of corruption related risks); and
 - 2 positions in the Office for Strategic Planning, Supervision and Control (Senior Police Consultant for control, supervision and prevention of the police, standards and quality control and management of corruption related risks and Police Consultant for control, supervision and prevention of the police, standards and quality control and management of corruption related risks).
73. At the same time, the position of State Adviser for Quality Control and Corruption Related Risks was established in the PSB's Strategic Planning and Quality Management Department.
74. GRECO notes that some preliminary organisational measures have been taken in the Mol and the PSB to allow for the establishment of posts whose job description entails control and management of corruption-related risks in the PSB. These are steps in the right direction. Nevertheless, GRECO would need to know whether the creation of these posts will ultimately lead to the establishment of a mechanism for managing risks of corruption within the police, as is required by the recommendation.

75. GRECO concludes that recommendation xiii has not been implemented.

Recommendation xiv.

76. *GRECO recommended (i) revising the Code of Police Ethics in broad consultation with a wide circle of stakeholders including police staff at all levels, their representatives and civil society, with a view to consolidate the existing provisions and offer comprehensive practical guidance on ethical matters inter alia on integrity, conflicts of interest, gifts and corruption prevention; and (ii) systematically raising the awareness of the police in respect of the standards contained in a revised/new Code via training, dedicated guidance and counselling, including confidential counselling.*
77. The authorities refer again to the new Code of Ethics for MoI employees adopted in November 2020 which was prepared by a working group consisting of the following stakeholders:
- MoI (Internal Control, Criminal Investigations and Professional Standards Department, General Competence Police Affairs Sectors, Unit for Illegal Trade with Arms, Dangerous Substances and Radioactive Material, Criminal Intelligence Department and PSB Analysis, Common Affairs and Human Resources Management Department, Legal Affairs, Court Procedures and Human Resources Management Department);
 - the National Police Union;
 - Helsinki Committee for Human Rights of the Republic of North Macedonia; and
 - the OSCE Mission to Skopje.
78. The authorities moreover refer again to the workshop to promote the Code and to the appointment of a confidential counsellor in the MoI's Internal Control Department responsible for giving advice on police integrity, conflicts of interest, receiving gifts, etc (cf. recommendation xiii). In their most recent submission, the authorities indicate that, so far, 1100 police officers and 40 trainers from the MoI were trained on the Code. Training activities are conducted on a daily basis to ensure the coverage of all MoI employees, including all police officers.
79. GRECO takes note of the new Code of Conduct for MoI employees. With respect to part (i) of the recommendation, it acknowledges that the Code was elaborated via a process with the involvement of police staff at different levels, trade unions and civil society. GRECO is furthermore pleased that the Code fills most of the gaps identified in the Evaluation Report. It brings together in a single text the principles that underpin the performance of police duties and most rules of conduct that befit the status of police staff. The Code offers adequate practical guidance to police officers on expected ethical conduct and regulates e.g. conflicts of interest, auxiliary employment, the reporting of unethical conduct, etc. The receipt of benefits/gifts is expressly forbidden. Enforcement of the Code is incumbent on the direct managers of the police, and breaches trigger disciplinary sanctions. GRECO concludes that the requirements of this part of the recommendation have been met and that it has been implemented satisfactorily.
80. With respect to part (ii) of the recommendation, GRECO takes note of extensive training of police officers on the new Code of Ethics. Regarding confidential counselling, GRECO understands that responsible persons have been appointed for the whole MoI, including the PSB, but has not received data concerning the concrete use that has been made of confidential counselling. It is also worrisome that the provision of advice on ethical dilemmas is not foreseen by the new Code which diminishes the value of confidential counselling and deprives it of a requisite normative basis. GRECO encourages the authorities to swiftly address this shortcoming. It follows that this part of the recommendation has only been partly implemented.
81. GRECO concludes that recommendation xiv has been partly implemented.

Recommendation xv.

82. *GRECO recommended (i) ensuring that recruitment to the police, including direct recruitment and transfer from other institutions, is competitive and based on objective and transparent criteria and procedure; and (ii) introducing integrity checks and testing of persons entering the police.*
83. The authorities report, regarding part (i) of the recommendation, that amendments to the Law on Internal Affairs are currently being prepared to ensure that recruitment to the police is competitive, conducted via open competition and that direct recruitment is solely reserved for posts specifically listed in the Mol's structure as justifying direct recruitment due to their type, nature and conditions of service. Regarding part (ii) of the recommendation, amendments to the same law foresee that the general conditions of service in the Mol include the requirement for all candidates to pass an integrity test organised by the Mol.
84. GRECO notes, with respect to both parts of the recommendation, that legislative changes are being prepared to address its concerns, which is a step in the right direction. However, these developments are at an early stage, therefore both parts of the recommendation are not implemented.
85. GRECO concludes that recommendation xv has not been implemented.

Recommendation xvi.

86. *GRECO recommended to establish objective and professional criteria for the appointment of the Head of the Police (Public Security Bureau), which correspond to the needs of such a position.*
87. The authorities indicate that amendments to the Law on the Police are being prepared. Article 16 will foresee that the Head of Police is to acquire at least 300 ECTS credits or complete VII/2 education level (Academic Master's Degree) in one of the following areas: security, defence, law or economy and at least 12 years of professional experience in the area of security, defence or intelligence, of which at least 5 years of managerial experience. Furthermore, the Head of Police may not be a member of a political party or of a body of a political party; is to undergo security clearance to which s/he is to consent in writing and the appointment must not present a security risk; s/he is to declare an absence of conflicts of interest based on the applicable law, and is required to have passed an integrity test.
88. GRECO takes note of the legislative amendments which appear to strengthen the professional requirements for the PSB Head, compared to his/her subordinates occupying managerial posts. Nonetheless, in view the early stage in the law-making process, GRECO can only conclude that this recommendation is not implemented.
89. GRECO concludes that recommendation xvi has not been implemented.

Recommendation xvii.

90. *GRECO recommended (i) to introduce objective and transparent criteria and procedures for periodical reviews of the integrity of police staff; and (ii) to use the results of such reviews in the promotion procedures.*
91. The authorities state that this recommendation will be implemented by means of ongoing amendments to the Law on Internal Affairs aimed at preventing corruption and the misuse of an official position, by subjecting police staff to regular professional integrity checks. The responsibility for developing and conducting the checks will be vested in the Mol's Internal

Control Department. The draft law establishes the procedure for conducting the test and failing it will trigger disciplinary procedures in respect of the employee concerned. The exact testing method will be established by a MoI regulation. The practical implementation phase is planned to commence one year after the amended law enters into force.

92. GRECO takes note of the information provided. As the legislative process is at an early stage, this recommendation has not been implemented, even partly.
93. GRECO concludes that recommendation xvii has not been implemented.

Recommendation xviii.

94. *GRECO recommended that a study be conducted on the practice of post-employment activities of police employees and that, in the light of the results, a regulatory framework be adopted in order to limit risks of conflicts of interest, if necessary.*
95. The authorities refer to Article 47 LPCOI which establishes post-employment restrictions applicable to broad categories of public officials, including police officers. So far, no related investigations or court procedures have been initiated. Moreover, the statistics collected by the MoI do not point to a flow of MoI employees to the private sector.
96. GRECO takes note of the information provided. At the time of the adoption of the Evaluation Report, it was not clear whether post-employment restrictions for police officers were in place, and it was not possible to assess the need for such regulations. The GRECO appreciates the confirmation that police officers are subject to post employment restrictions applicable to other categories of public officials under the LPCOI. As post-employment rules now are in place, there is no longer a need to analyse the situation for that purpose.
97. GRECO concludes that recommendation xviii has been dealt with in a satisfactory manner.

Recommendation xix.

98. *GRECO recommended that the authorities analyse the need for introducing an obligation to declare assets/interests in respect of the top management and/or concerning certain positions within the police, with a view to introducing such rules.*
99. The authorities report that future amendments to the Law on Internal Affairs will introduce an obligation for all MoI employees to submit an asset declaration, pursuant to the LPCOI.
100. GRECO notes the authorities' intention to extend the interests and assets disclosure obligation to all MoI employees. This would go beyond the expectations of the recommendation, which only refers to top management and certain positions within the police. GRECO recalls that at the time of the adoption of the Evaluation Report only one person (the Secretary of State in the MoI) had to submit an asset declaration under the LPCOI. In contrast, a previous version of the LPCOI had obliged all police officers to declare assets and interests in accordance with rules that had been considered too broad and cumbersome and had been abolished as a result. GRECO encourages the authorities to strike the right balance between ensuring the accountability of those who might be more exposed or vulnerable to corruption and other wrongdoing within the police, and overburdening an asset monitoring and verification system which is not yet fully developed and will take time to mature. Given the early stage of the legislative process, it is concluded that this recommendation has not yet been implemented.

101. GRECO concludes that recommendation xix has not been implemented.

Recommendation xx.

102. *GRECO recommended securing the autonomy and independence from undue influence of the internal control mechanism of the police and providing it with an appropriate mandate, resources and expertise.*

103. The authorities indicate that this recommendation will be implemented through the ongoing amendments to the Law on Internal Affairs.

104. GRECO notes that the legal set up remains the same as it did at the time of the adoption of the Evaluation Report.

105. GRECO concludes that recommendation xx has not been implemented.

Recommendation xxi.

106. *GRECO recommended that the available mechanisms of external supervision of the police force, including those of Parliament, the Ombudsman Office and the Public Prosecutor's Office be subject to an appropriate level of transparency in respect of cases dealt with and that related statistics be provided at regular intervals.*

107. The authorities provide information on the external supervision of the police force exercised by the Ombudsman Office and the Primary Public Prosecution Office for organised crime and corruption. Since the Ombudsman's Civil control Mechanism became operational in July 2019, its representatives visited police departments (and prison and detention units) acting *ex officio* or based on victim's complaints in three cases of torture and other inhuman treatment and punishment in 2019 and 17 cases in 2020. Eleven of these involve police officers. In respect of 3 of those there were no elements of a criminal offence, and for the remaining cases the procedures are still ongoing. Moreover, in 2020, 8 requests for the initiation of a procedure for determining criminal liability of police officers and prison officers were submitted to the Primary Public Prosecution Office for organised crime and corruption.

108. The authorities report that the Department for investigation and prosecution of crimes committed by persons with police powers and members of the prison police of the Primary Public Prosecution Office for organised crime and corruption consists of three prosecutors and three professional associates. In 2019, the highest percentage of reports of suspected criminal offences involving police officers and prison officers related to:

- 33 persons or 31.13% – harassment in service (Article 143 of the Criminal Code (CC));
- 13 persons or 12.26% – serious bodily injury (Article 131 CC);
- 11 persons or 10.37 % – torture and other cruel, inhuman or degrading treatment and punishment (Article 142 the CC);
- 8 persons or 7.54% – unlawful deprivation of liberty (Article 140 CC);
- 8 persons or 7.54% – misuse of official status and authorisation (Article 353 CC);
- 5 persons or 4.71%– violence (Article 386 CC);
- 6 persons or 5.66 % – malpractice (Article 353-c CC);
- 3 persons or 2.83% – serious criminal acts against the general security (Article 292 with reference to Article 288 CC).

109. In 2019, of 57 criminal reports filed with the Department against the total of 106 persons in service, a decision was taken by the public prosecutor in respect of 60 persons (56.61%).

Indictments and indictment proposals were issued in respect of 22 persons in 2019 and 7 persons in 2020. Judgements were passed in respect of 7 persons in 2019 and 8 persons in 2020.

110. GRECO takes note of the information concerning external supervision of the police force carried out by the Ombudsman Office and by the Primary Public Prosecution office for organised crime and corruption which was specifically mandated in 2018 to investigate and prosecute offences committed by police officers. The information reported does not refer to parliamentary oversight. That said, the current recommendation was primarily about providing public transparency to cases dealt with and to the disclosure of statistics at regular intervals. Nothing has been reported on the public availability of such information.
111. GRECO concludes that recommendation xxi has been partly implemented.

Recommendation xxii.

112. *GRECO recommended strengthening substantially the measures for the practical implementation of the Law on the Protection of Whistle-blowers within the police, and making related information accessible to the public.*
113. The authorities report that 520 officials of the MoI authorised to receive whistleblowing reports have attended workshops on internal whistleblowing organised by the MoI's Internal Control Department. Moreover, premises outside the MoI facility have been provided to the authorised officials for receiving whistle-blower reports.
114. GRECO recalls that this recommendation was prompted by the absence of data regarding the practical application of the 2016 Law on the Protection of Whistle-blowers within the police. In paragraph 173 of the Evaluation Report, GRECO already noted the appointment of persons within the police to deal with protected internal disclosures. However, more than four years after the entry into force of this law, information on the number of internal disclosures in the PSB is still not available and the impression persists that the law is not yet being implemented. GRECO concludes that more determined action is necessary to attain even partial compliance with this recommendation.
115. GRECO concludes that recommendation xxii has not been implemented.

Recommendation xxiii.

116. *GRECO recommends that complaints against police staff be reflected in comprehensive statistics, covering disciplinary and criminal proceedings, and made publicly available.*
117. The authorities state that all data on disciplinary and criminal procedures initiated against police officers are regularly posted on the MoI's website (<https://mvr.gov.mk/page/sektor-za-vnatreshna-kontrola>).
118. GRECO is satisfied that relevant statistics has been made easily accessible and concludes that this recommendation has been implemented satisfactorily.
119. GRECO concludes that recommendation xxiii has been implemented satisfactorily.

III. CONCLUSIONS

120. **In view of the foregoing, GRECO concludes that North Macedonia has satisfactorily implemented four recommendations contained in the Fifth Round Evaluation Report.** Of the remaining recommendations, nine have been partly implemented and ten have not been implemented.
121. More specifically, recommendation i, xi, xviii and xxiii have been implemented satisfactorily, recommendations ii-viii, xiv and xxi have been partly implemented and recommendations ix, x, xii, xiii, xv, xvi, xvii, xix, xx and xxii have not been implemented.
122. With respect to top executive functions (PTEFs), the adoption of the new Code of Ethics for PTEFs is to be welcomed. It has introduced, for the first time, rules on PTEFs' interaction with lobbyists and third parties seeking to influence the public decision-making process. The revision of the Governmental Decree on the acceptance of gifts in public institutions, including central government, and the development of the Practical guide with clear indications to PTEFs on how to identify conflicts of interest are also positive developments. Members of government have been trained on the Code, conflicts of interest and other integrity issues
123. On a negative note, placing the implementation of the Code of Conduct in the hands of a Deputy Prime Minister who has the authority to investigate and sanction violations and, at the same time, is to provide confidential counselling and collecting evidence of violations of the Code is not acceptable and not compatible with GRECO practice. Furthermore, the continued absence of integrity risk assessments and regular evaluations of the impact of integrity measures in central government is worrying. While substantial financial resources have been injected into the State Commission for Corruption Prevention's (SCPC) budget, it is not yet fully functional and cannot properly perform its duties under the laws currently in force. A particular concern is the substantial number of conflict of interests and asset disclosure cases involving PTEFs processed by the SCPC. Furthermore, it does not appear that an adequate analysis of the practical application of sanctions for conflicts of interest and other integrity violations has been carried out, nor that this sanctioning regime has been revised to ensure that it meets the prerequisites of effectiveness, proportionality and dissuasiveness.
124. With respect to law enforcement agencies (police), it is positive that information on the budget, activities, decisions, administrative proceedings and public procurement of the Public Security Bureau - one of the most secretive governmental structures - has been made more accessible online. GRECO also welcomes the wide involvement of police staff at different levels, trade unions and civil society in the elaboration of the new Code of Ethics for the police force. The Code offers adequate practical guidance on expected ethical conduct, and regulates issues such as conflicts of interest, auxiliary employment, the reporting of unethical conduct, etc. Preparatory steps are being taken to introduce integrity testing for persons entering the police as well as police staff throughout their service. External supervision of the police force by the Ombudsman Office and the Primary Public Prosecution Office for organised crime and corruption appears adequate. Conversely, a review of corruption vulnerabilities and risks in the police and a regular evaluation and impact assessment of the annual anti-corruption programmes of the police remain to be carried out. Most importantly, the operational independence of the police is to be brought into line with the Council of Europe's standards for democratic policing and its depoliticisation ensured in law and in practice.
125. In view of the above, GRECO notes that further progress is necessary to demonstrate an acceptable level of compliance with the recommendations within the next 18 months. Pursuant to Rule 31 revised bis, paragraph 8.2 of its Rules of Procedure, GRECO invites the Head of

delegation of North Macedonia to submit additional information regarding the implementation of the outstanding recommendations (ii-x, xii -xvii, xix-xxii) by 30 September 2022.

126. GRECO invites the authorities of North Macedonia to authorise as soon as possible the publication of this report, to translate it into the national language and to make the translation public.