



Republic of Macedonia
Ministry of Finance
PUBLIC REVENUE OFFICE



STRATEGIC PLAN

2010 2012

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INTRODUCTION

The Strategic plan of the Public Revenue Office (PRO) includes the basic development components that are planned for realization for the period 2010-2012.

This document provides the main directions as priority goals, the measures that needs to be undertaken for their realization and the activities, which with the dedicated use by the PRO employees and the adequate funding, will provide realization of the PRO mission and vision.

The strategic priorities represent a pillar for building a modern tax authority with a high reputation and integrity among the taxpayers, with local and international trust in the professionalism, efficiency, transparency and service orientation.

This document has been harmonized with:

- The Decision for determination of the strategic priorities of the Government of the Republic of Macedonia for 2010
- The National Program for adoption of the European Union Charter
- The technical assistance Project in the realization of the tax administration reform in the period 2005-2010, conducted by the IMF Fiscal Affairs Department
- The Program for encouraging investments in the Republic of Macedonia 2007-2010 and
- The Public Revenue Office Strategic Plan for the period 2009-2011.



MISSION AND VISION

Mission

Our mission is to provide high-quality services for the taxpayers and more simplified tax procedures for timely and accurate compliance, including a fair and efficient collection of the taxes and public duties.

Vision

The increase of the administrative capacities, implementation of the modern technology, enhancing the quality standards of the business processes and getting closer to the practices and standards of the European Union, should ensure that the Public Revenue Office is a model of a professional organization in the public sector of the Republic of Macedonia.

In order to achieve our vision, in the period 2010-2012 funds in the amount of MKD1.051.940.000 are necessary, as follows: MKD834.640.000 in 2010, MKD227.980.000 in 2011 and MKD97.720.000 in 2012.

Regarding the planned means for realization of the measures and activities included in the Strategic Plan, the most important are those for providing the informatics infrastructure, finalization of the cash registers processprovision of business premises and improving of the working conditions, salaries for the newly employed and delivery of trainings.

MANDATE AND THE LEGAL FRAMEWORK





MANDATE AND THE LEGAL FRAMEWORK

The mandate

The Public Revenue Office works solely on the territory of the Republic of Macedonia. On the basis of the Law on Public Revenue Office, it realizes administrative and other professional activities in its mandate as well as activities that result from the special tax laws.

In realization of the operational tax policy and the tax collection, social contributions from salary and other public duties, the PRO provides implementation of the function of the state, helps the taxpayers to comply, follows and analyzes the functioning of the tax system and provides suggestions for improvement, makes co-operation with tax administrations from other countries and provides international legal assistance in tax cases.

Legal framework

The Law on Public Revenue Office and the Law on Tax Procedure are the two laws important for the organization and mandate of the Public Revenue Office, for basic tax law and the tax administrative procedure.

The Law on Public Revenue Office, adopted in September 2005, with changes and amendments in July 2008, represents the legal frame with regards to the scope, organization, the manner of realization of the activities and the management, as well as the authorities and responsibilities in the collection, registration, processing and protection of the data in the PRO.

With the latest changes and amendments of the Law in 2008, the basis of the new PRO organization was established as per a functional model and with the purpose to change the employees' status into "tax officers". With the Law on Tax Procedure, adopted in January 2006, and with the changes and amendments adopted in 2009, the following issues were regulated: the Public Tax Law, the Procedure of Tax Assessment, the audit procedure, the public revenue collection procedure, the rights and obligation of the taxpayers, the procedure during appeal, conducting a misdemeanor procedure and the misdemeanor provisions.

The legal frame, including also the secondary legislation and the operational instructions for operation of certain functions of the PRO, provides an opportunity for enhancing of the administrative capacity for enforcement of the legislation and fighting against the tax non-payment.



STRUCTURE

Current structure

The Public Revenue Office is a public administration organ in the frames of the Ministry of Finance, with the status of a legal entity. As on 31.12.2009 the number of employees is 1249.

Since January 1, 2009 in accordance with the changes of the Law on Public Revenue Office, the work of the PRO is implemented through the following: Headquarters Office, Large Taxpayers Office, five regional offices based in Skopje, Bitola, Stip, Tetovo and Kavadarci, eight tax units located in Ohrid, Prilep, Kumanovo, Strumica, Gostivar, Kicevo, Veles and Gevgelija and 72 tax counters that should be opened in all municipalities.

In addition to the former tax units that were transformed into tax counters, during the 2009 new tax counters were opened for the area of the municipalities of Bosilovo, Novo Selo, Vasilevo, Mogila, Novaci, Vevcani, Vrapcista and Brvenica, and negotiations are in progress with other units of local self-government, for accessibility of the tax services in their premises.

The changes planned

The quality reorganization of the Public Revenue Office work, as well as improvement of services for the taxpayers, is necessary for harmonization with the rising role of the personal taxation through the social contributions and the personal tax of the individuals. Reorganization means separation of the employees and working tasks in relation to:

- The entities that conduct economic activities (business society) and
- The individuals and their achieved revenues (physical entities).

Great emphasis is put on the already commenced activities of decentralization of the function of “taxpayers services” and the centralization of the function “receipt and processing of tax returns” and “the enforced collection of the tax debts” through the development of the Centre for return processing and the Centre for cashing the debts.

PROGRAMS





PROGRAMS

During the 2010-2012 period six basic development strategic goals are planned. Some of them refer to continual development and upgrading of already implemented measures and their improvement with new activities, and some of the strategic goals are increased with new measures for strengthening of the administrative capacity and training the tax administration to fully implement the basic functions with new quality, which is a necessity.

The increase of the number of citizens that file Annual tax returns about the revenue achieved and the tax obligation related, the introduction of the gross - salary concept and the new obligation to administer the social contributions from salary, require implementation of new integrated records about the tax duties of the individuals.

In order to keep a quality records, it is necessary to have available the basic data of the citizens which are important for their identification as a taxpayer. Starting from here, it is necessary to introduce the citizen's tax number, establishing a register of the numbers and the electronic tax files for the physical entities. This program represents closer approach to the European and the world practice in general, whereby a special attention is given to the individuals' taxation, which is separated from the taxation system of the economic activities.

The strengthening of the cohesion forces inside the PRO and providing the transparency of activities and equality in the procedures impose the need of implementation of the electronic archive and electronic monitoring of the flow and the content of all the input, output and internal documents, with the defined levels of right to access.

The establishment and implementation of the Intranet system for internal communication will enable the building and implementing of the system for electronic education and internal communication of the Public Revenue Office employees.

Taking in account the current economic conditions, this plan provides suggestions to overcome them by amending the relevant laws and procedures that are conducted in the PRO. In this regard, special importance is paid for improvement and centralization of the "enforced collection" function with the new centre for settlement.

The social standard of the employees and the working conditions are also very important element for the entire PRO modernization.

**STRENGTHENING THE
ADMINISTRATIVE CAPACITIES**





STRENGTHENING THE ADMINISTRATIVE CAPACITIES

The process of strengthening the administrative capacities of the Public Revenue Office, assisted with the legislation that is being harmonized with the European Acquis, has for its final purpose efficient fight against the taxes evasion.

- ***Specialization of the PRO functions for taxpayers with economic activities and for the revenues realized by the citizens***

This measure means a quality reorganization of the tax administration work, through the narrow specialization of the functions work, and this is separately for taxpayers with the economic activities and for taxpayers with achieved revenues (citizens).

In this view, in the frames of the current organization, it is necessary to redefine the works and working tasks related to: conducting the economic activities of the companies and the work of public-legal bodies, which entails the work with the sales tax and profit tax; and of the achieved revenues of the citizens - physical entities, which entails the work with the personal taxes and social contributions from salary.

With the integration of data on social contribution and the personal income tax of the citizens, from the salary returns, from the returns of the revenue that is being taxed, from the annual reports from the revenue payers, and from the annual tax returns, and after this from the data that PRO takes over from other institutions and the new data that will be taken over from other data bases, a functional completeness and a quality base for taxation and services will be formed for the citizens as taxpayers.

Taking in account the specification of the group, the adequate control measures will be introduced and developed.

In order to harmonize with the European legislation and practice, the citizens' tax number will be introduced, Taxpayer's Register will be established, including citizens and electronic tax file for each taxpayer - citizen.

- ***Further improvement of the work with the large taxpayers (LTO)***

At the end of 2009, a selection of new 60 companies was made that will be registered by LTO. The second widening of the list of the large taxpayers was based on the taxpayers working results, but also from the basic criteria according to which the tax revenue from the LTO should participate with 55% in the total tax revenue that is being provided by the PRO.



According to the increased number of taxpayers, the total of 235 large taxpayers that will be administered by the LTO, the number of tax auditors will also get bigger.

With the increasing of the tax audit efficiency in the LTO, there will be developed tools for preparing the audit of the large taxpayers and selection through the criteria for assessment of risks.

In order to improve the work, efficient implementation and practical application of the legal regulations, the individual and group trainings of the employees will be conducted.

- ***Development of the system for central processing of the tax returns***

The Center for central processing of the returns (CPC) will take over the processing of all the tax returns for all the regional offices and LTO, and this means all the paper and e-tax returns, except for the monthly calculation of the integrated collection (MPIN) delivered on a CD, USB or similar.

For this purpose, it is necessary to conduct the IT projection of the CPC operations, purchase of a computer equipment and software for scanning and e-archiving of the paper documents (integrated hardware and software solution) and training of the Centre employees about all the procedures.

- ***Introducing an electronic archive and documents management***

The electronic archive means electronic records, recording and distribution of all the input and output documentation and registration of their flow. For realization of this activity it is necessary to make projection of an electronic archive, of the distribution and monitoring the documents flow in the PRO, and of the electronic file itself, to provide a new space for disks for expansion of the electronic saving of the documentation, to improve the net flow capacity, and to provide computer equipment and software for scanning and electronic filing of the paper documents. When putting the system in use, it has been planned to organize an education of the employees from all the regional offices and the LTO, the tax units and the tax counters.

- ***Continuing the process of development and upgrading of the new information system***

The new PRO IT system, which should be put into function in 2010, means data migration from the old IT system, testing the new system and training for using and maintenance of the new information solution for all the employees, according to their authorization for use and the special needs.



Following the development of the information technology, the modern computer equipment will be installed, especially equipment for implementation of the integrated collection and computer peripheral equipment, as well as upgrade of the present firewall.

Regarding the enlarged PRO functions and the enlarged size of the hardware, the reconstruction of the system hall is also in plan, purchase of net equipment, net liaison between the tax units and the tax counters.

For the needs of the new Centre for cashing the debts and the new PRO work, software for material evidence will be implemented.

The improvement of the education and communication system inside the PRO means building of a software for e-learning of the employees about the tax problems, and INTRANET software for internal communication of the employees.

- ***Improvement of the system of internal audit***

The introduction of new types of audits - IT audit, integrity audit and revision/ audit of use of the IPA Funds, identification of risks in each department and in each stage of the PRO work, and the continuing training of the internal supervisors are few steps through which the work of the Internal Revision Unit will be improved.

- ***Exchange of data between the PRO and other institutions***

During creation of the interconnection with the National intelligence data base (NIDB), the measures for protection of the secrecy and security of the data will be implemented in order to provide the necessary equipment and space for controlled monitoring.

Regarding data exchange with other institutions, an access to the data base is being planned for the Annual calculations from the Central Registry of the RM, synchronization of the Registers on the Government of RM level (project of the Ministry for information society), and e - Services on the RM Government level (project of the Ministry for information society).



- ***Upgrade of the system for analytical information on the business status and creating statistics***

The improvement of the system for analytical information about the business status of the PRO functions (analyses, managers reports, preliminary reports, developing the performance standards, planning process) and the introduction of statistics to support the functions (recording data, archiving/saving on mediums, and statistics for the needs of the functions) is one of the PRO strategic goals in the direction of improvement of the business processes and building of the organizational image of the PRO.

- ***Development of the communication system and informing the public***

PRO pays a special attention to improvement of the external and internal communication, through the introduction of new channels and methods of communication and information, adjusted to the needs of the target groups.

The improvement of the capacities of the Public Relation & Communication Office, the implementation of the Strategy for communication and the Book of graphic standards, and the improved media coverage and information of the public (on a national and local level) about the PRO activities, the tax system and the necessity of paying taxes, should additionally strengthen the organizational image of the organization and the confidence of the public in the tax administration.

The system of communication, especially the internal communication, which has as a final purpose a highly motivated employees that are familiar with the organization goals, will be improved through the introduction of Intranet, introducing Manual for preparation of written materials and Plan for communication in the situation of crisis, with an adequate training of the employees.

In the area of building good relationships and values in the institution, the central position is given to the Day of the tax officers “St. Matthew”, the event that is being celebrated each year on 29 November and when PRO employees are awarded with the jubilee rewards for their dedication, professionalism and their contribution.

DEVELOPMENT OF THE NEW AUTHORITIES





DEVELOPMENT OF THE NEW AUTHORITIES

- ***Administration of the social contributions and the personal tax from salary***

In 2009 study was prepared on the business processes and the internal procedures for administration of the social contributions in the frames of all the PRO functions, in order to purchase in 2010 an overall information system (hardware and software) and to make social contributions and the personal income tax from salary software integration with the new IT system. Until that stage is reached there will be an adjustment of the current system for receipt and processing of the monthly calculation for integrated collection (MCIC) with the legal requirements.

A special emphasis will be put on the development of methods for audit of the social contributions and the personal income tax (gross-salary) through analysis and management of information from the system of processing of MCIC, meaning the office audits and external audit and preparing the operational instructions about the manner of conducting the audits.

- ***Development of the settlement system and conduction of the misdemeanor procedures and implementation of the sanctions***

For the purpose of development of the system for conducting procedures in all the stages and all the functions and the organizational parts of the PRO - settlement, conducting a misdemeanor procedures and implementation of sanctions, the adequate record keeping about the procedures will be introduced, and there will be a regular education of the involved persons in the previous as well as in the misdemeanor procedure.

INCREASED LEVEL OF TAX REVENUES





INCREASED LEVEL OF TAX REVENUES

- ***Upgrade and development of the tax records***

The building of the record system about the social contributions from salary as per payer and as per insured person, integration with all the type of taxes of the citizens, upgrade and development of the tax records until providing their simplicity and accuracy is achieved, is imperative in the development of the tax records. This measure will be implemented also through preparation of the Operational instructions and the detailed procedures to work in the tax administration, and their continuing upgrade and development. In order to improve the efficiency it is necessary to rearrange the staff to the essential functions for analysis of the data for assessment and collection of taxes.

- ***Building measures for coping with the unfavorable economic conditions, the reduced tax revenues and the enlarged tax arrears***

To cope with the unfavorable economic states, the reduced tax revenues and the increased tax arrears, there is a need for a change of the legal basis in order to reduce the procedures and decrease the tax administration costs by the taxpayers and by the PRO. In this direction, the adequate suggestions for changing the laws on taxation of revenue and the Law on tax procedure, the draft changes of the legislation of the public enterprises for implementation of the efficient mechanisms for tax arrears collection, as well as the synchronization of the operational instructions according the conducted legal changes, should deliver the desired results.

- ***Identification of the unregistered taxpayers and their inclusion in the legal tax system of the Republic of Macedonia***

In the area for discovering the unregistered taxpayers and their implementation in the regular legal flows, the Public Revenue Office will improve the cooperation with the other inspection bodies, especially the cooperation with the State Market Inspectorate, the Ministry of Internal Affairs and other inspection organs, at the same time increasing the number of joint controls.




- **Further strengthening of the audit capacity**

The improvement and development of the Strategy for audit includes updating and development of the risk criteria introduced for VAT, analysis of the results of their implementation and changing them with new criteria, software integration of the already prepared risk criteria of the newly registered taxpayers, assessment of the risks of the large taxpayers connected to the success and the results of their work and assessment of the risk criteria of the social contributions from salary and personal income tax and their software integration and upgrade.

The basis for strengthening of the capacities of the Tax Inspectorate is the realization of the following measures:

- Planning the audits in accordance with the criteria for planning and selection, analysis of the results of their implementation and their exchange with the new criteria;
- Development and upgrade of the audit tools - three years comparative analysis of the financial reports, the tax returns and the financial indicators and education of all the auditors for using the audit tools;
- Introducing a special „revenue audit of the taxpayers - citizens“;
- Introducing new audit techniques of special types of taxes. The VAT audit program, which is installed in the tax auditors computers through which at the same time is conducted their education for application of the new technique, is being upgraded and improved with the current testing and analysis. Based on the same the new technique will be prepared for the profit tax audit. Also, it is planned to create and develop of a method and technique of audit of the personal income tax and the social contributions and education for implementation of the new techniques.
- Implementation of the Excel professional audit method in the tax information system;
- Promotion of audit methods and techniques according specific industries;
- Introduction of computer audits and purchase of licensed computer audit software, with the initial education of the LTO auditors, and after that of all the auditors;
- Upgrade and improvement of the program „taxpayers characteristics“ with the continuing education of the auditors;
- Implementation of the high wealth individuals strategy with wealth gained with untaxed or not sufficiently taxed revenue;
- Using a third party information and liaison with the other institutions' data base;
- Development of audit methods in order to fight the corruption, non-declared taxes and other punishable offences;
- Development of the standards for audit quality assurance and their testing on a certain number of cases, and conducting training of the audit quality assurance officers.



- Introduction of new audit methods: „office control” with application of the audit tools and “visiting the taxpayer”, in the frames of the function tax assessment and collection, and providing an adequate staff and their education about the new working methods.

- ***Strengthening the tax debts collection***

Strengthening of the debt management methods, introduction of methods of warning and notifying to pay the debts before the enforced collection, the determination of methods for collection of tax debts from state institutions and public enterprises, are measures through which the tax debts collection will be improved.

- ***Development of the Centre for Cashing***

The final objective of the Center for cashing is to develop as a centralized unit for enforced collection. In the first period it is planned to provide the necessary conditions for operating of the Centre, space for work, material and technical resources, appointing working staff and its education and establishing an archive of commenced procedures of enforced collection.

- ***Introduction of an Integrated Automatic System for permanent electronic communication of the taxpayers with the PRO for automatic data transfer from the fiscal system to an equipment in a form of daily financial report (GPRS)***

With the introduction of the Integrated Automatic System for registering the cash payments the fiscalization process in the Republic of Macedonia will be rounded up and the effectiveness and efficiency of the PRO work will be improved.

The system will be installed by placing GPRS devices of the individual equipment of each taxpayer, which will be financed by the Government of Macedonia.

PRO prepared a new proposed law for registration of a cash flow and a proposed rule-book for transfer and use of data through the post-terminals and they are delivered to the Ministry of Finance.

IMPROVING THE TAXPAYERS SERVICES





IMPROVING THE TAXPAYERS SERVICES

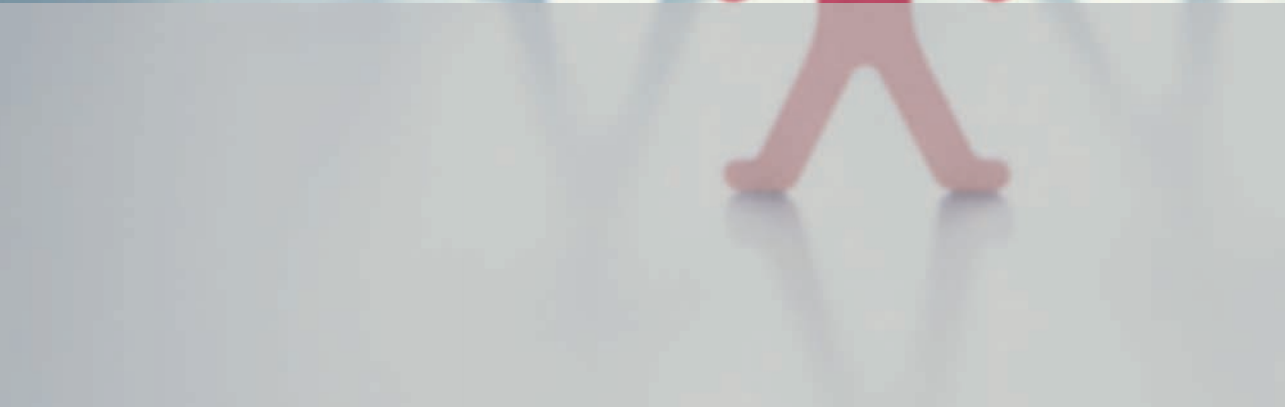
- ***Continuing the process of raising the level of taxpayers awareness about their social role in the society***

This process means a high level of accessibility of information about the rights and obligations of the taxpayers, through the various communication channels and improvement of the new PRO services - preparation of publications and information materials, holding seminars and other educational and information meetings with the taxpayers and other target groups, as well as widening the net of tax counters in all the municipalities of the Republic of Macedonia. With the purpose of giving the better quality services, will be organized tailored trainings for the employees-trainers in the regional offices. The work of the Advisory Board of Taxpayers of Macedonia will continue and develop.
- ***Continuing the process of training the taxpayers for voluntary and legal fulfillment of their tax obligations without PRO intervention***

In order to achieve this goal, for the Contact Centre needs there will be continual filling and updating of the knowledge base with the new contents from the taxation area and social contributions area. In the frames of the project Industrial Partnership which means developing a partner relationship with the taxpayers from different activities and industries, will be held advisory meetings with the members of selected industry and with their associations, there will be new observations of the situation with the taxes of that particular industry, the audit activities will be undertaken for the members of this industry that don't fulfill their tax obligations, there will be sum up of the results and establishment of a statistical base and informing the public about the results. The program for refurbishing and regulation of the space for giving services in the regional offices will be realized, tax units and the tax counters in a unique way. Annual surveys about the level of taxpayers' satisfaction with the PRO services will be conducted.
- ***Continuing the process of providing a high level of development of the electronic services***

Practicing and establishing electronic communication in all the areas of work is a basic PRO commitment. The WEB page www.ujp.gov.mk, as the most important channel of communication, is continually upgraded with new contents, according the taxpayers needs and the target groups. In this view, implementation of new e-tools is planned (e-tax Calculator) and re-designing of the current e-services according the PRO graphic standards

HUMAN RESOURCES DEVELOPMENT





HUMAN RESOURCES DEVELOPMENT

- ***Improvement of the employees structure, working conditions and the social standard of the employees***

Through the realization of the programs for employment of young highly educated staff and with the system of repositioning the employees from technical and non-essential functions (data processing and similar) to more essential works, will influence the quality and efficiency of the PRO work.

The locations for the new tax counters will be provided, in the first instance, with co-operation with the local self-government units.

Through creating conditions for providing a meal in the PRO premises, at the beginning in the Headquarters, and than in all the regional offices, as well as providing drinks through automats, will affect the improvement of the quality working standards and the social standard of the employees.

- ***Systematic education of the employees***

The PRO education strategy has a purpose to support reorganization of the institution and the new business processes of the key functions. The continuing training about their work and managing, improving the employees' skills on all levels, is in direction of more efficient conducting of the work and the services, to encourage the voluntary fulfillment of the tax obligations of the taxpayers and of the enforced collection, whenever it is necessary.

The PRO training system should be rounded up through the Regional Tax Academy, a project that will be realized through 4 development stages:

- Organizing an internal training of the employees on the management positions about the management skills, education on taxes and tax procedures of the employees in audit, assessment and collection of taxes and on other functions, given by special professionals;
- Middle-term goal (6 months) is to establish an Academy for training of the employees, designed on a way that can offer the best training and accommodation of the visitors;
- Middle-term and long-term goal (12 to 18 months) of the Academy is to widen the training program to other interested users: tax advisors, financial institutions, training for management in the state institutions, taxpayers training; and
- Long-term goal (18 to 24 months) is to become a Regional Tax Academy.



The Tax Academy is planned to grow into a East-European Centre for the best tax administration practices, which will be possible after it exceeds the internal PRO needs and the needs of the interested users from this country.

For this purpose is prepared an Action plan for establishing a Tax Academy, suggestions for the organizational structure, description of the academic working positions, were defined the minimum capacities necessary for each separate stage of the project development, Review of the analysis of the educational needs and a Project about the necessary business premises.

- ***An adequate fair and motivating rewarding***

The acts about the bonus rewarding system and the according measures and standards for fair and motivating rewarding will be an integral part of the new Human Recourses Strategy.

- ***The employees' integrity is defined in the Code of Ethics***

In order to maintain the personal and the office integrity, it will be insisted on conducting and respecting the Code of Ethics of the PRO employees.

The strengthening of the anty-corruption units of the internal control and the equipping the stuff and the education of the employees in the Professional Standards Unit, are of key importance for improvement of the control mechanisms of conduct of the tax officers.

* * *

In the 2010-2012 period additional 105 new employments in the Public Revenue Office are foreseen, meaning 35 persons a year. Newly employed persons will be distributed according the needs.

IMPROVEMENT OF THE INTERNATIONAL COOPERATION





IMPROVEMENT OF THE INTERNATIONAL COOPERATION

- ***Avoiding the double taxation or non-taxation and data exchange about the tax frauds***

The activities of the Public Revenue Office are directed in the view of application of the international agreements for avoiding the double taxation or non-taxation, development of the introduced system, education of the employees for application of the international agreements and the withholding tax and updating the PRO web page for better accessibility of information liaised with this subject.

At the same time, the system of data exchange that helps to prevent or discover tax fraud and financial crime will also improve. By purchase and putting in function an adequate hardware and software solution, the technical basis for data exchange should improve which will enable a permanent data flow with the EU countries.

- ***Exchanging VAT data in the frames of the EU-system VIES***

With the aim to provide permanent data exchange on VAT with the EU member countries on a proscribed manner, it is necessary to establish a liaison office for exchange of VAT data for which purpose it will be purchased proscribed hardware and software basis, the employees will be engaged and their education will be conducted according the EU standards.

- ***Cooperation with the international institutions and organization***

Through communication with the international institutions and organizations the aim is to continue and widen the cooperation with these institutions and organizations and to establish a stable frame for further cooperation, in order to be able to:

- apply on the projects that are part of their annual programs, and after that to make periodical reports on the level of implementation of these projects;
- organizing donor conferences;
- taking part in the annual program and the annual congress of the Intraeuropean organization of tax administrators (IOTA) and to organize a workshop in the Republic of Macedonia in the frames of the annual program of IOTA.



- ***Cooperation with the tax administrations of the EU member countries and other countries***

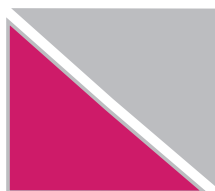
The cooperation with the tax administration of the EU member countries and the other countries outside EU is based upon and improved through: bilateral cooperation; organizing of coordinated cross-border audit controls with the tax administrations of the neighboring countries; operationalization of the PRO initiative for data exchange among the Balkan tax administrations as a form of early prevention of the new flows of the tax evasion; preparation and participation in the Balkan Tax Conference (in 2010 will be held the 4th in a row); organizing an International Conference in our country whereby will be present the top managers from the tax administrations of the EU member countries-supporters of the EU integration process of the RM.

- ***European Integration Process***

In the frames of the European Integration Process are conducted part of the PRO current activities: preparation of the NPAA program; preparation and delivery of a monthly report to the European Affairs Department (EAD), and the EU Office in the Republic of Macedonia about the level of realization of the NPAA program; implementation of the IPA program (programming, implementation, monitoring and evaluation); implementation of the FISKALIS program (implementation of the annual program of FISKALIS, monitoring, evaluation, organizing a Workshop, creating a PRO profile in the frames of the TACTIK FISKALIS); preparing for sub-committees in the frames of the Committee for Association and Stabilization, communication and coordination of activities in the frames of the DG Taxud.

- ***Central Project Office***

Through preparation of a data base for the needs of the Central Project Office, preparation of the quarter reports to the Board of Directors for PRO modernization and technical assistance to the project teams and the team leaders of the development projects, the office work will be improved.



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