



Public Administration Reform



Public Finance Management



Justice



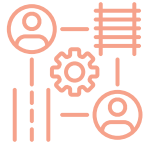
Home Affairs



Competitiveness and Innovation



Agriculture and Rural Development



Transport



Environment and Climate Action



Education, Employment and Social Policy



Regional and Local Development



Roma Integration



Health

SHADOW REPORT

From monitoring work and effects of sector working groups

in the period January 2019 – February 2020



SHADOW REPORT

FROM MONITORING WORK
AND EFFECTS OF SECTOR
WORKING GROUPS

*in the period
January 2019 – February 2020*



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SUMMARY

The project “CSO Dialogue – Platform for Structural Participation in EU integrations” aims to ensure crucial and structural participation of the civil society, which expresses the views of citizens, to influence key sector reforms within the EU accession process.

The project’s main goal is to increase civil society impact on the country’s EU accession by developing evidence-based policies and policy documents in key sector and reform areas.

The Instrument for Pre-Accession Assistance 2014-2020 (IPA II) is the European Union’s central financial instrument in the Republic of North Macedonia.

This shadow report specifically addresses work of IPA II sector working groups. It strives to provide, in one place, all general and key information about sector working groups (SWGs) and IPA II. The report includes overview of current state-of-play in regard to sector working groups that represent an indicator on implementation of IPA II in the Republic of North Macedonia, because they embody cooperation among various actors.

The sector working groups are formal mechanism for consultation and cooperation among institutions from the executive government (ministries), civil society organizations, donor community and other stakeholders. By the cut-off date for this report, the Republic of North Macedonia has formed a total of 12 sector working groups with competences in different policy areas, in order to establish the sector-wide approach.

All sector working groups have different functions in implementation of their competences. Hence, they represent sector-wide policy forums, coordination mechanism, platform for monitoring sector policies



and forum for programming IPA funds. Be that as it may, functionality, effectiveness, transparency, general dynamics and work mechanics greatly differ among individual sector working groups.

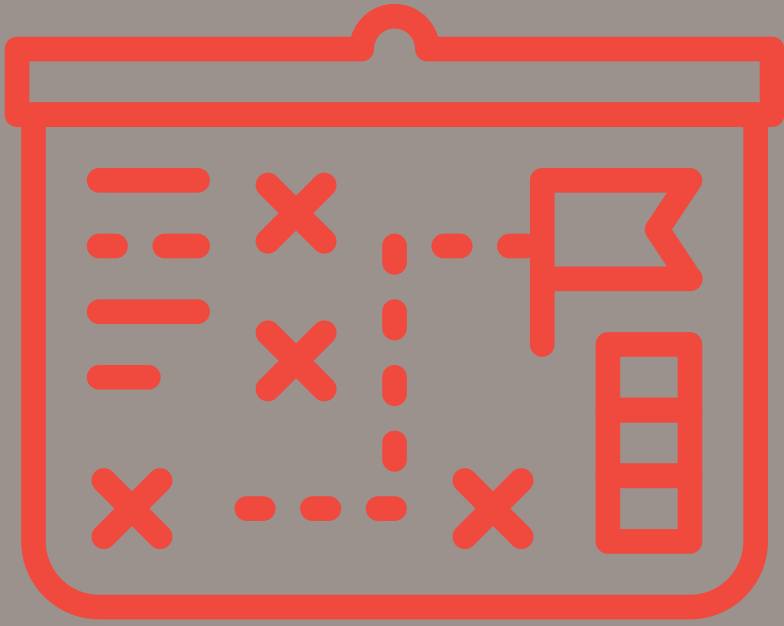
The shadow reports are intended to provide meaningful guidelines for better utilization of opportunities and advantages offered by sector working groups. A special segment in monitoring work of sector working groups concerns the assessment on involvement of civil society organizations in their work, as one of underlying principles for successful operation of the sector-wide approach. In 2019, work of sector working groups was assessed against several key indicators, such as: monitoring proposals and discussions at plenary sessions; analysis of basic documents; surveying opinion of civil society organizations that are not part of sector working groups; measuring and analysis of the IPA II Programme, and gender mainstreaming in sector working groups.

Also, these reports will help state institutions, civil society organizations and other non-state representatives in their advocacy efforts within sector working groups. This monitoring effort is based on the assumption that quality of programming and absorption of EU funds serve as indicator about the preparedness of any country to join the European Union. Hence, by providing an overview of progress achieved under the sector-wide approach, especially at the time of screening and opening of accession negotiations that are underway in the country, these annual reports will inevitably make significant contribution to relevant policy-making processes.

The introduction elaborates information on the monitoring of sector working groups and the methodology used for development of this shadow report. Then, the report is divided into two parts, as follows:

- The first part, titled “Sector-Wide Approach and Sector Working Groups”, includes description of the sector-wide approach under IPA II, sector working groups and their functionality. Also, this part provides individual overview of state-of-play for each of the twelve sector working groups pursuant to the pre-defined monitoring methodology, those being:
 - ◆ public administration reform;
 - ◆ public finance management;
 - ◆ justice;
 - ◆ home affairs;
 - ◆ competitiveness and innovation;
 - ◆ agriculture and rural development;
 - ◆ transport;
 - ◆ environment and climate action;
 - ◆ education, employment and social policy;
 - ◆ regional and local development;
 - ◆ Roma integration; and
 - ◆ health.

- The second part, titled “Instrument for Pre-Accession Assistance IPA II (2014-2020)”, includes basic information on IPA II, the strategic and legal framework for this instrument at EU level and in RNM. Also, it elaborates the sector-wide approach and provides comprehensive description of bodies and structures within the system of IPA II indirect management at national level, including sector working groups and their role.

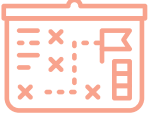


METHODOLOGY ON MONITORING WORK AND EFFECTS OF SECTOR WORKING GROUPS

The methodology for development of these reports aims to introduce a unified method for monitoring work of sector working groups (SWGs), as part of the EU accession process. In particular, researchers assigned to each sector working group collected data and information on work and achievements under the sector-wide approach, and presented them in this report.

METHODOLOGY APPROACH

This methodology is based on setting standards and indicators to monitor and evaluate work of sector working groups against their competences, objectives and expected outcomes defined in national documents, relevant IPA documents and active programme documents. Given that the mandate of sector working groups implies a rather broad field of work and the project's focus is put on increasing participation and contribution of civil society organizations (CSOs) in these sector groups, the team defined five segments that will be subject of research, monitoring and evaluation by project researchers. Each segment is comprised of a certain number of standards and indicators, which serve



as subsystem for monitoring and control of quality and performance in given segments. The selection of defined standards was made according to descriptions about the function, role and competences of sector working groups, as indicated in their rules of procedure, and according to the scope of programme documents relevant for sector working groups.

The process for data collection, monitoring and evaluation was conducted in regard to five segments, as follows:

- SWG functionality;
- civil society participation in SWG;
- capacity of CSOs to contribute and participate in SWG work;
- effects from SWG work, and
- IPA.

The standards included under each segment are defined as common measurements on quality and performance, while indicators serve as detailed measurements for progress and success in work of sector working groups. In that, the monitoring process also assessed existence and practical implementation of established standards and indicators.

METHODOLOGY DESCRIPTION

Standards and indicators

Each monitoring segment covers a defined number of standards. Each standard can (but not necessarily) include a defined number of indicators as detail measurements.

The methodology is comprised of 41 standards and 21 indicators in total. The table below provides an overview of the scope of standards and indicators defined for each monitoring segment.

TABLE NO. 1: Overview of the scope of measurements

| SEGMENT | NUMBER OF STANDARDS | NUMBER OF INDICATORS |
|------------------------------------|---------------------|----------------------|
| SWG functionality | 14 | 8 |
| Civil society participation in SWG | 9 | 3 |
| Capacity of CSOs | 5 | 2 |
| Effects from SWG work | 3 | 8 |
| IPA | 10 | 0 |
| Total: | 41 | 21 |

In addition to the general description, each standard covers a definition that closely describes what needs to be monitored and evaluated, what data need to be collected and what reference documents should be examined in order to make relevant assessments.

Methods and instruments for data collection

According to researchers' anticipated activities and resources, the project plans to use several methods for data collection, as follows:

- analysis of documents;
- interviews with SWG members;
- survey;
- researcher's participation in SWG meetings;
- submission of requests under the instrument for free access to information; and
- e-mail and telephone communication to secure information and data.

Analysis of documents: A number of standards defined under all five monitoring segments concern development and regular updates to particular plans, work documents, rules of procedure, minutes and similar documents pertaining to work of sector working groups.



Interview with SWG members: Interview as method was used when it was necessary to validate and confirm with SWG members certain knowledge obtained from analysis of documents. Additionally, when documents lacked findings on particular standards and indicators, interviews were used as separate method to obtain information necessary to evaluate these standards, i.e. indicators. According to the project timeframe, interviews were organized in the period February/ March 2020. Given the newly emerged situation in the country during this period,¹ researchers organized five (5) interviews with representatives from state institutions.

Survey: This method implies systemic data collection about the current status of standards and indicators, based on previously defined questionnaire used to survey a number of respondents, while information obtained is later processed and used to evaluate standards or indicators. As method, the survey is applicable to large groups of respondents, when findings need to be cross-referenced and when cause-and-effect relations need to be analysed. In the case of this methodology, the survey was conducted to gain insight into knowledge and information among civil society organizations about sector working groups, as well as about their knowledge of topics covered by sector working groups, as indicated in relevant regulations, documents, analyses and reports. Hence, for the purpose of this monitoring methodology the project team designed a standard *survey questionnaire for civil society organizations*. The questionnaire was electronically shared with all civil society organizations on the Civil Society Platform previously designed by the project team. It was answered by a total of 104 civil society organizations. In particular, questionnaires were completed by civil society organizations that are members of sector working groups, but also by civil society organizations that have not participated in the sector-wide approach, which allowed the analysis to cover several aspects needed for this report.

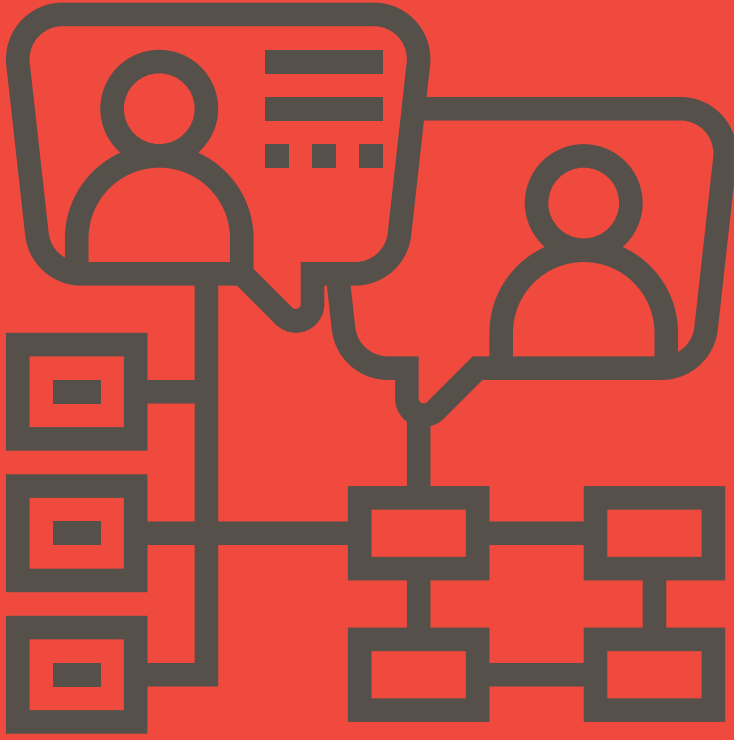
Researcher's participation in SWG meetings: This method was used to validate, at sector group meetings, certain information and knowledge and to enrich the analysis in terms of quality. In the last year, application of this method allowed collection of number of information that describe certain state-of-play or could provide authentic answers about certain requirements under standards and indicators. As part of this method, all researchers developed individual plans that covered items discussed at sector group meetings they attended and participation of civil society organizations in work of sector working groups.

¹ The newly emerged situation in regard to COVID-19 and declaration of the state of emergency by the President of the Republic of North Macedonia on 16th March 2020

Submitting requests under the instrument for free access to information: Information requests were addressed to institutions when individual researchers were unable to otherwise secure the necessary information. In the period 2019/2020, a total of 53 requests were submitted to line ministries and they inquired about information that could not be obtained in any other manner. Here, it should be noted that some ministries, upon previous requests via e-mail and telephone communication, disclosed relevant information and documents and this instrument was not used in such cases.

E-mail and telephone communication: Researchers engaged in this type of communication in cases when certain datasets could be more easily obtained in this manner compared to the instrument for free access to information. In that, they strived to pursue written communication (e-mails), but telephone communication was also possible for validation and confirmation of certain information. Telephone communication was particularly important in the last period for development of this report (March 2020), having in mind declaration of the state of emergency in the country.

This shadow report from monitoring work of sector working groups is developed exclusively from civil society perspective and covers the period from 1st April 2019 to 31st March 2020.



PART I

SECTOR-WIDE APPROACH AND SECTOR WORKING GROUPS

SECTOR-WIDE APPROACH

The IPA II Regulation² and the IPA II Framework Agreement³ place great importance to coordination of policies, strategies and funding within individual sectors established in the Country Indicative Strategy Paper.⁴

IPA II Indicative Strategy Paper

The Indicative Strategy Paper sets out the priorities for EU financial assistance in the period 2014-2020 to support the Republic of North Macedonia on its path to EU accession. It translates the political priorities, set out in the enlargement policy framework, into key policy areas where financial assistance is most useful to meet

² REGULATION (EU) No. 231/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an Instrument for Pre-Accession Assistance (IPA II)

³ Framework Agreement between the Republic of Macedonia, represented by the Government of the Republic of Macedonia, and the European Commission on arrangements for implementation of the Union's financial assistance to the Republic of Macedonia under the Instrument for Pre-Accession Assistance (IPA), "Official Gazette of the Republic of Macedonia" no. 99 from 16.6.2015

⁴ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>



the accession criteria. In 2017, the Indicative Strategy Paper underwent mid-term review and update. This document may be revised at any time, on initiative from the European Commission.

IPA financial assistance is intended for four specific objectives: (a) support for political reforms; (b) support for economic, social and territorial development; (c) strengthening the ability of the beneficiary country to fulfil the obligations stemming from Union membership by supporting progressive alignment with, and adoption, implementation and enforcement of the EU acquis; and (d) strengthening regional integration and territorial cooperation. Furthermore, the IPA II Regulation states that financial assistance addresses five main policy areas: a) reforms in preparation for Union membership and related institution- and capacity-building; b) socio-economic and regional development; c) employment, social policies, education, promotion of gender equality and human resources development; d) agriculture and rural development; and e) regional and territorial cooperation.

In order to increase its impact, EU financial assistance is concentrated in the policy areas where reforms or investments are most needed to meet accession criteria and is tailored to take into account capacity of the Republic of North Macedonia to meet these needs. Assistance is planned in coherent and comprehensive manner, in order to best meet the four specific objectives and to address general thematic priorities for IPA II assistance, as well as thematic priorities for assistance for territorial cooperation.

Moreover, EU assistance is only one means to achieve necessary progress. In priority-setting for action, due consideration is given to own funds of the beneficiary country, as well as support provided through other EU instruments and by other stakeholders, especially bilateral donors or international financing institutions. Having in mind the above elaborated, primacy is given to: providing financial assistance under the sector-wide approach; ensuring long-term, coherent, and sustainable approach; allowing increased ownership; facilitating cooperation among donors; eliminating duplication of efforts; and bringing greater efficiency and effectiveness.

Sector-wide approach in the context of IPA II

The IPA II Programme has clear focus on “sector-wide approach”, which aims to provide multiannual strategy framework for programming EU assistance according to the country’s priorities. This is an important change from project-based programming in the previous years. It allows use of more flexible implementation formats, such as multiannual operational programmes and sector budget support.

The sector-wide approach means coordinated planning, implementation and monitoring of sector policies by means of setting clear priorities, objectives, indicators and funding responsibilities. Initiation of this approach is in line with donor requirements,⁵ which expect foreign aid to be aligned with national (sector) strategies and to have coordinated and long-term perspective that is based on regular cooperation between donors and beneficiaries.

In the context of IPA, the sector-wide approach means: coordination in IPA programming and implementation; overall coordination of donor assistance; alignment with the EU integration process and with the negotiations structure and organization, as well as formulation and implementation of the national policy in broader context, including the national policy’s link to sector budgets and national funds.

All these functions of the sector-wide approach need to be united in one place through the sector working groups, which should provide guidelines for better use of resources by means of their decision-making processes. A sector working group (SWG) is formed for particular sector. Hence, at the moment there are twelve (12) sector working groups that operate under the joint coordination framework. At the same time, each sector working group represents⁶:

- forum for sector policy dialogue and focal point to discuss the sector’s preparedness and to evaluate progress of sector policy and institutional capacity;
- forum to discuss IPA programming and infrastructure projects, i.e. forum for work on individual project concepts;

5 <http://www.oecd.org/dac/effectiveness/34428351.pdf>

6 A New Approach to Sector Policy Coordination, Skopje, Secretariat for European Affairs, 2016



- | forum for overall coordination of donors;
- | preparatory forum for individual IPA sectoral monitoring committees, which focuses discussion on implementation of IPA projects; and
- | support structure to SAA⁷ and to the recently initiated negotiations process.

The IPA II sector-wide approach is precondition for allocation of funds and an important instigator of changes. It is expected for the sector-wide approach to contribute to better guided, more efficient and more effective use of funds, and to significantly increased absorption capacity.

One of key criteria to assess the country's preparedness to benefit from EU funds is sector and donor coordination. This criterion is verified against several basic questions⁸:

- | Are there adequate coordination mechanisms within responsible government institutions?
- | Are there coordination mechanisms between the government and non-state actors?
- | Are there functional arrangements for donor coordination?
- | Is there updated database on donor assistance?
- | Is coordination effective and inclusive?
- | Is sector management in place and is the government prepared to take leadership in donor coordination, i.e. does the government show potential for efficient development of leadership role in the short term?

⁷ Law on Ratification of the Protocol to the Stabilization and Association Agreement between the Republic of Macedonia, of the one part, and the European Communities and their Member-States, of the other part, on a Framework Agreement between the Republic of Macedonia and the European Community on the general principles for participation of the Republic of Macedonia in the Community Programmes, "Official Gazette of RM" no. 46 from 20.6.2005

⁸ A New Approach to Sector Policy Coordination, Skopje, Secretariat for European Affairs, 2016

Except for these key issues, the IPA II Regulation does not define specific criteria in relation to the method of sector coordination. Individual beneficiary countries of IPA funds are given discretionary right about the manner in which they will achieve this goal.

At the same time, this IPA-focused process should be aligned with the Western Balkans Investment Framework,⁹ which includes specific arrangements for each country in terms of priority identification and setting, development and implementation of infrastructure projects. Republic of North Macedonia has already formed the National Investment Committee (NIC), supported by sector working groups (SWGs). The purpose of NIC and SWGs that are subordinated to this committee is to ensure that donor assistance is used according to relevant cross-sector and sector-specific strategies. Due to similarity of objectives, the current framework on sector policy coordination connects SWGs under the Western Balkans Investment Framework to SWGs under the national IPA Programme, which does not ensure only optimal use of resources, but also guarantee integrated approach in sectors such as *energy, transport, environment and social policy*.

Policy coordination and sector working groups

The IPA II Regulation¹⁰ and the IPA II Framework Agreement between the European Union and the Republic of North Macedonia¹¹ place great importance to coordination of policies, strategies and funding within sectors identified at national level.

The IPA II Indicative Strategy Paper¹² clearly focuses on the so-called “sector-wide approach”, whose goal is to provide multiannual, strategically coherent framework for programming of EU assistance according to the country’s priorities.

The sector policy coordination framework is discussed in regard to several interrelated perspectives:

⁹ Western Balkans Investment Framework, available at: <https://www.wbif.eu/>

¹⁰ REGULATION (EU) No 231/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an Instrument for Pre-Accession Assistance (IPA II)

¹¹ “Official Gazette of the Republic of Macedonia” no. 99 from 16.6.2015

¹² <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>



- | coordination of IPA programming and implementation;
- | EU integration process and the negotiations structure and organization;
- | overall coordination of donor assistance; and
- | formulation and implementation of the national policy in broader context, including the national policy' link to sector *budgets and national funds*.

The integrated approach to these perspectives, as well as the need to optimize resources and to guide the decision-making process, is pursued by formation of working groups per sector (SWG). In the case of some sectors, sector working groups are formed for individual subsectors.

To present, a total of twelve (12) sector working groups are formed and they operate under the joint coordination framework. The sector-wide approach is envisaged to contribute towards better guided and more efficient use of funds and to significantly increased absorption capacity. One of key criteria to assess the country's preparedness to benefit from EU funds is sector and donor coordination, in regard to following aspects:

- | existence of adequate coordination mechanisms within responsible government institutions;
- | existence of coordination mechanism between the government and non-state actors;
- | established functional arrangements for donor coordinator;
- | updated database on donor assistance;
- | effective and inclusive coordination; and
- | existence of sector management and the government's preparedness to take leadership in donor coordination.

Except for these issues, the IPA II Regulation does not define specific criteria for the method of sector coordination. Each beneficiary country of IPA assistance establishes its own rules for attainment of this objective.

IPA II sector working groups

A sector working group (SWG) is interdisciplinary or interdepartmental body tasked to provide advice and to secure the necessary consensus among all actors in given sector under IPA II.

Also, sector working groups (SWGs) are sector coordination mechanisms and are part of the broader framework for national strategy coordination and dialogue.

Role of sector working groups

The sector working groups have a very important role because they represent a mechanism for policy dialogue, programming of EU assistance and donor coordination.

The Republic of North Macedonia started with formation of eight (8) sector working groups that covered all sectors. These sector working groups are comprised of representatives from all relevant national institutions responsible for policy development, implementation and monitoring in their respective sectors.¹³

Monitoring committees

The sector coordination of IPA II assistance falls under national competences. However, the IPA II Implementing Regulation¹⁴ lays down detailed monitoring rules through provisions on the IPA monitoring

¹³ Revised Indicative Strategy Paper for the Former Yugoslav Republic of Macedonia 2014-2020 (adopted on 3.8.2018), Instrument for Pre-Accession Assistance IPA II, European Commission, available at: <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>

¹⁴ Regulation (EU) No. 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-Accession Assistance (IPA II)



committee,¹⁵ sectoral monitoring committees,¹⁶ other monitoring activities¹⁷ and the joint monitoring committee for cross-border cooperation.¹⁸

IPA II monitoring committee

According to the IPA II Implementing Regulation, the European Commission and RNM, as IPA II beneficiary country, form the IPA monitoring committee, which reviews overall effectiveness, efficiency, quality, coherence, coordination and compliance of implementation of all actions towards meeting defined objectives. In addition, when relevant and based on information provided by sectoral monitoring committees, this committee can make recommendations for corrective actions.

According to the Framework Agreement between the EU and RNM, the IPA monitoring committee is a body responsible to monitor implementation of IPA assistance. This committee is co-chaired by representatives from the European Commission and the National IPA Coordination (NIPAC), while the NIPAC secretariat also performs tasks and duties as secretariat of the monitoring committee, develops and distributes all materials that are adopted, i.e. reconsidered at committee meetings, in cooperation with the heads of operating structures.

According to the Framework Agreement,¹⁹ the IPA monitoring committee can make proposals to the European Commission, NIPAC and the National Authorising Officer (NAO), with a view to ensure better coherence and coordination of IPA assistance, as envisaged in the country's strategy documents. Also, this committee can make recommendations for corrective actions to competent sectoral monitoring committees, with a view to attain IPA II objectives and to improve efficiency and effectiveness of IPA II assistance.

In RNM, the IPA monitoring committee is comprised of representatives from the European Commission, NIPAC and other relevant bodies and organizations in the IPA II beneficiary country and, when relevant,

¹⁵ Article 18 of the IPA II Implementing Regulation

¹⁶ Article 19 of the IPA II Implementing Regulation

¹⁷ Article 20 of the IPA II Implementing Regulation

¹⁸ Article 38 of the IPA II Implementing Regulation

¹⁹ Article 52 of the Framework Agreement

international organizations, including international financing institutions and other stakeholders, such as civil society and private sector organizations. Stakeholder representatives should be selected according to rules and criteria defined in the rules of procedures for the IPA monitoring committee and in agreement with the European Commission. Representative of the European Commission and NIPAC serve as co-chairs at meetings of the IPA monitoring committee.

The IPA monitoring committee adopts its own rules of procedure in agreement with the National Authorising Officer (NAO) and the European Commission.

NIPAC drafts this committee's rules of procedure in cooperation with the European Commission and NAO, which are later approved by the committee.

The IPA monitoring committee holds at least one meeting per year. It could also convene ad-hoc meetings, on initiative from the European Commission or IPA beneficiary country, especially on thematic basis.

IPA II sectoral monitoring committees

Under indirect management by the IPA II beneficiary country, sectoral monitoring committees are formed²⁰ per policy area or per programme, including at sectoral level where appropriate. They are formed no later than six months after the entry into force of the first financing agreement related to the specific policy area or programme, upon consultations with the European Commission. When relevant, sectoral monitoring committees may be formed on ad-hoc basis under other methods of implementation.

Each sectoral monitoring committee reviews effectiveness, efficiency, quality, coherence, coordination and compliance of implementation of actions in relevant policy area or programme and their consistency with corresponding national and, when relevant, regional sector strategies. Progress is measured in relation to attainment of objectives under actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution.

²⁰ According to Article 19 of the IPA Implementing Regulation and Article 53 of the Framework Agreement



Supported by reports provided by the operating structures, sectoral monitoring committees:

- review progress towards meeting the objectives, achieving planned outcomes and results, and assessing impact and sustainability of on-going programmes and actions, while ensuring coherence with the on-going policy dialogue, related national and regional sector strategies and multi-country strategies and/or regional activities in the country;
- reviews annual implementation reports, including financial execution of actions;
- examine relevant findings and conclusions, as well as proposals for remedial follow-up actions stemming from on-the-spot checks, monitoring and evaluations, if available;
- discuss any relevant aspects of the functioning of the management and control systems;
- discuss any problematic issues and actions;
- when necessary, consider or propose amendments to programmes and other corrective actions to ensure achievement of objectives and to enhance efficiency, effectiveness, impact and sustainability of IPA II assistance; and
- review information, publicity, transparency, visibility and communication measures taken.

Each sectoral monitoring committee develops their rules of procedure in agreement with the operating structure, NIPAC and the European Commission.

Sectoral monitoring committee are comprised of representatives from relevant national authorities and bodies and other stakeholders, such as economic, social and environmental partners and, when relevant, international organizations, including international financing institutions and the civil society. The European Commission participates in work of these committees, while stakeholder representatives are

selected according to rules and criteria defined in the rules of procedure. Meetings of sectoral monitoring committees are chaired by high representatives from the IPA II beneficiary country. Depending on the policy area or programme, meetings may be chaired by representative from the European Commission.

The sectoral monitoring committees meet at least twice a year, but they can also convene on ad-hoc basis.

NIPAC serves as the chair of sectoral monitoring committees, while NIPAC Secretariat also performs the function of secretariat for sectoral monitoring committees and is responsible for development and distribution of all materials that are adopted, i.e. reconsidered at meetings held by sectoral committees, in cooperation with the Head of Operating Structure (HOS).

For the purpose of work performed by the IPA monitoring committee and sectoral monitoring committees, relevant management and operating structures provide all necessary data and reports from their respective field of operation and related to implementation of IPA assistance.



FUNCTIONALITY AND PERFORMANCE OF SECTOR WORKING GROUPS IN THE REPORTING PERIOD

As indicated above, the Instrument for Pre-Accession Assistance (IPA II)²¹ is the basic financing document of the European Union intended for the beneficiary countries. Hence, IPA II establishes the sector-wide approach in planning and management of EU funds. The sector-wide approach is the main principle under IPA II. Capability of beneficiaries to design programmes for support to sectors is an important factor for successful programming of IPA and therefore it represents a key element of performance evaluation. In 2015, the Republic of North Macedonia initiated formation of eight (8) sector working groups that cover all sectors. These sector working groups are comprised of all relevant national institutions responsible for creation, implementation and monitoring of policies in their sectors.²²

All eight sector working groups were formed in 2015 by means of decision taken on the 65th session of the Government of RNM.²³ Each sector working group is led by the relevant line ministry according to the scope of competences.

²¹ European Neighbourhood Policy and Enlargement Negotiations, available at: https://ec.europa.eu/neighbourhood-enlargement/instruments/overview_en

²² Revised Indicative Strategy Paper for the Former Yugoslav Republic of Macedonia 2014-2020 (adopted on 3.8.2018), Instrument for Pre-Accession Assistance IPA II, European Commission, available at: <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>

²³ Decision taken on the 65th session of the Government of RNM, held on 31.3.2015



In the years that followed and to present, additional four (4) sector working groups were formed. At the moment, there are twelve (12) sector working groups in the Republic of North Macedonia and they cover the following policy areas:

- | rule of law and fundamental rights (this sector-wide approach is comprised of two working groups: justice and home affairs);
- | democracy and governance (this sector-wide approach is comprised of two working groups: public administration reform and public finance management);
- | competitiveness and innovations;
- | regional and local development;
- | agriculture and rural development;
- | transport;
- | environment and climate action;
- | education, employment and social policy;
- | Roma integration; and
- | health.

Each sector working groups has one or more chairs (line minister or several line ministers when several ministries lead the working group), co-chair (head of cooperation at the EU Delegation in the Republic of North Macedonia) and members. In 2018, line ministers were appointed chairs of sector working groups in order to raise the level and efforts of institutions for application of the sector-wide approach. Members are representatives from the institutions whose competences correspond to the scope of work of the sector working group, representatives from the donor community, representatives from the foreign embassies and representatives from the civil society.

The underlying principles that define civil society participation in work of sector working groups are given in the EU legal acts, as follows:

- Article 11 of the Regulation no.231/2014 of the European Parliament and the Council of 11 March 2014 establishing an Instrument for Pre-Accession Assistance IPA II;²⁴
- Article 4, paragraph 2 and Article 8 of the Commission Regulation no.447/2014 of 2 May 2014 on the specific rules for implementing the Regulation no.231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-Accession Assistance;²⁵
- Article 15 of the Regulation no. 236/2014 of the European Parliament and of the Council of 11 March 2015 laying down common rules and procedures for implementation of the Union's instruments for financing external action.²⁶

The sector working groups operate at several levels, i.e. technical level, bilateral level and by holding plenary sessions. In 2019, all sector working groups held a total of 14 plenary sessions with participation of the civil society. Unlike the plenary sessions, other levels of work within sector working groups accounted for more than 200 meetings throughout the entire year.

²⁴ REGULATION (EU) No 231/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an Instrument for Pre-Accession Assistance (IPA II)

²⁵ REGULATION (EU) No 447/2014 of 2 May 2014

²⁶ REGULATION (EU) 2015/478 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2015

**TABLE NO. 2:**

*Meetings held by the sector working groups
and the competent ministries*

| SECTOR | LEAD INSTITUTION | DATE |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Regional and Local Development | <ul style="list-style-type: none"> ▪ Ministry of Local Self-Government | 20.3.2019 |
| Justice | <ul style="list-style-type: none"> ▪ Ministry of Justice | 20.6.2019 |
| Regional and Local Development | <ul style="list-style-type: none"> ▪ Ministry of Local Self-Government | 19.9.2019 |
| Education, Employment and Social Policy | <ul style="list-style-type: none"> ▪ Ministry of Labour and Social Policy ▪ Ministry of Education | 20.9.2019 |
| Home Affairs | <ul style="list-style-type: none"> ▪ Ministry of Interior | 23.9.2019 |
| Agriculture and Rural Development | <ul style="list-style-type: none"> ▪ Ministry of Agriculture, Forestry and Water Economy | 24.9.2019 |
| Transport | <ul style="list-style-type: none"> ▪ Ministry of Transport and Communications | 26.9.2019 |
| Competitiveness and Innovation | <ul style="list-style-type: none"> ▪ Government of RNM – Deputy Prime Minister Responsible for Economic Matters | 15.10.2019 |
| Public Finance Management | <ul style="list-style-type: none"> ▪ Ministry of Finance | 5.11.2019 |
| Public Administration Reform | <ul style="list-style-type: none"> ▪ Ministry of Information Society and Administration | 18.11.2019 |
| Roma Integration | <ul style="list-style-type: none"> ▪ Minister without Portfolio Responsible for Roma Matters ▪ Ministry of Labour and Social Policy | 6.12.2019 |
| Environment and Climate Action | <ul style="list-style-type: none"> ▪ Ministry of Environment and Spatial Planning | 19.12.2019 |
| Education, Employment and Social Policy | <ul style="list-style-type: none"> ▪ Ministry of Labour and Social Policy ▪ Ministry of Education | 19.12.2019 |
| Health | <ul style="list-style-type: none"> ▪ Ministry of Health | 21.2.2020 |

The sector working groups are formed by means of decision, which includes detailed list of their members and they have own rules of procedure. Competences of each sector working group vary depending on the policy area they cover. Consequently, each sector working group is facing different challenges in its work, which are duly noted in separate sections from this report.

In general, during the monitoring and reporting year all sector working groups were focused on development of the Performance Assessment Framework as baseline document to monitor sector-specific reforms in the stage of implementing programme documents. Indicators included in this framework should fulfil several criteria:

- to be selected/derived from indicators that are already developed at the level of national sector strategies and action documents for IPA 2014-2020;
- to provide clear image about the country's progress in implementation of sector-specific strategies, by setting targets and monitoring their achievement;
- to be developed on the basis of previously designed methodology for data collection and processing; and
- to be reliable, by recording available sources for data verification.

It is likely that some indicators already defined under national sector strategies will have to be revised, while a number of sectors will have to define additional indicators. Therefore, based on the needs, other relevant data sources should be secured for definition, processing and monitoring of performance indicators in addition to the State Statistical Office.

Indicators are part of efforts for establishment of the Performance Assessment Framework which, at national level, should provide:

- monitoring of effects and results from implemented reforms;
- monitoring of effects and results from use of EU funds;
- possibility for transparent and accountable presentation of results before the broad public; and



- facilitating decision-making process for the next national strategy cycle that will coincide with the European Union's new financial perspective after 2020.

Actually, all plenary sessions held by the sector working groups in 2019 were intended for development of such performance assessment frameworks for reforms under the sector approach, in compliance with the IPA II Programme. A total of 205 indicators are developed at the level of all sector working groups. These indicators should be approved by the Government of the Republic of North Macedonia in 2020, followed by start of monitoring/measuring performance under each sector approach.²⁷

Sector working groups and civil society organizations

As regards involvement of civil society organization in work of sector working groups, significant increase was noted in 2017 and 2018. From early 2017, civil society organizations are invited to participate in almost all sector working groups and thereby contribute to sector policies under IPA II.

Each sector policy sets forth what the government plans to achieve in a given sector over a given period of time, i.e. it defines the sector-specific objectives. In that regard, it is of great importance to secure participation of the broader public in setting priorities for sector policies under IPA II.

²⁷ More information about this process is available at: www.dijalogkoneu.mk



SECTOR WORKING GROUP ON DEMOCRACY AND GOVERNANCE

The sector working group in the policy area on *democracy and governance* is comprised of two working groups, those being: public administration reform and public finance management.

1. SECTOR WORKING GROUP ON PUBLIC ADMINISTRATION REFORM

In the sector *public administration reform*, the baseline document that governs implementation of key policies and activities is the Strategy on Public Administration Reform 2018-2022²⁸ and Action Plan.²⁹ The civil society organizations with relevant expertise and interest in this area participated in development of this strategy.³⁰ As main challenges in this sector, the strategy addresses several groups of themes, as follows: promotion of professionalism, transparency, accountability and independence of the public administration at central and municipal level; enhancing effectiveness in organization of the public administration; improving quality of services for citizens and businesses and ensuring equitable and free access to public information, with special focus on development of e-services and e-procurements; increasing the number of trainings for central and

²⁸ In addition to the strategy as baseline document, the public administration reform process includes other strategies that directly or indirectly cover topics from this sector, such as: Open Data Strategy 2018 - 2020, Transparency Strategy of the Government of the Republic of North Macedonia 2019 - 2021, Open Government Partnership's Action Plan 2018 - 2020, Strategy for Development of the State Audit Office 2018 - 2022, Strategy on Promotion of the Whistleblower Protection System in the Republic of North Macedonia, National Strategy on Prevention of Corruption and Conflict of Interests 2020 - 2024, and others.

²⁹ Strategy on Public Administration Reform 2018 - 2022, Ministry of Information Society and Administration

³⁰ First Report from Monitoring Implementation of SPAR



local administration, and raising awareness for unified implementation of the Law on General Administrative Procedure.

The Strategy on Public Administration Reform, as the baseline document for implementation of this reform, is regularly monitored in terms of implementation of anticipated activities, notably by monitoring the strategy's action plans. Hence, two reports on implementation track-record of the Strategy on Public Administration Reform were developed in 2019, as follows: Annual Report on Implementation of the Action Plan to the Strategy on Public Administration Reform 2018-2022³¹ and Second Semi-Annual Report on Implementation of the Strategy on Public Administration Reform 2018-2022 for the period January - June 2019.³² In addition to official reports produced by the Ministry of Information Society and Administration, civil society organizations also regularly monitor implementation of the strategy's action plans.³³ These reports include detailed information on performance track-record under the strategy and its action plans, and provide clear image about activities completed and activities postponed, as well as preparatory actions for implementation of activities that are underway and are still not subject of comprehensive information shared with the public.

As regards strategic planning, 2019 activities included revision of the strategic planning methodology for development of annual work plans of the Government of the Republic of North Macedonia. In particular, the 2019 work program³⁴ focuses on: developing the economy, increasing productive employment and raising the citizens' living standard; Republic of North Macedonia's membership in NATO and the EU; decisive and non-selective fight against organized crime and corruption; strengthening the rule of law through impartial and non-discriminatory enforcement of laws; building independent institutions and functional system of local self-governments; education reform and investments in innovation and information technology; judiciary reform; full implementation of the Ohrid Framework Agreement and

³¹ Annual Report on Implementation of the Action Plan to the Strategy on Public Administration Reform 2018 - 2022, available at: http://mioa.gov.mk/sites/default/files/pbl_files/documents/rja/godishen_izveshtaj_srja2018_finalen_21052019.pdf

³² Second Semi-Annual Report on Implementation of the Action Plan to the Strategy on Public Administration Reform 2018 - 2022 for the period January – June 2019, available at: http://mioa.gov.mk/sites/default/files/pbl_files/documents/rja/srja-vtor_polugodishen_izveshtaj-finalno.pdf

³³ Foundation Open Society – Macedonia, available at: https://fosm.mk/publikacii/?quick_access=reforma-na-javnata-administracija

³⁴ The Government's 2019 Work Program, available at: https://vlada.mk/sites/default/files/programa/2017-2020/Programa_na_Vladata_2019.pdf

building a civic state and interethnic cohesion on the principles of mutual tolerance and respect; reducing air pollution, etc.

The Ministry of Information Society and Administration, as part of its basic activities, keeps the Registry of Public Sector Employees, which is part of the Human Resource Management Information System (HRMIS). Information presented in the Annual Report on Data from the Registry of Public Sector Employees is a result of data exchange from records kept by the Ministry of Information Society and Administration and data provided by the Employment Service Agency of the Republic of North Macedonia, Public Revenue Office, Pension and Disability Insurance Fund of North Macedonia and Health Insurance Fund of the Republic of North Macedonia. According to the 2019 Annual Report on Data from the Registry of Public Sector Employees,³⁵ in the reporting period there were 1,324 active institutions in the Republic of North Macedonia, with a total of 132,900 employees. Compared to the 2018 Annual Report, which contained data on 1,314 institutions, the number of institutions in the public sector has increased by 10. Analysis of data per individual institution leads to the conclusion that 17 new institutions have been established, while due to status change and closure, data are no longer kept for seven (7) institutions. As regards employees at public sector institutions, their number has increased by 832 compared to 2018 figures.

Challenges related to administration of the Registry of Public Sector Employees have remained valid in the course of years. Contrary to figures presented in the Registry of Public Sector Employees, according to the 2019 Annual Report of the Ministry of Information Society and Administration, in 2019 the State Audit Office (SAO) conducted an audit of information systems, i.e. “Effectiveness and Efficiency of Measures and Activities Taken by the Ministry of Information Society and Administration for Full Implementation of the Human Resources Management Information System at Public Sector Institutions”. In its report, SAO reported that “underlying objectives on which HRMIS is based are not effectively realized. Activities and measures taken by the Ministry of Information Society and Administration, State Administration Inspectorate and public sector institutions in regard to system management, use and sustainability, continuous training for system users, and improvements to data quality, are insufficient to

³⁵ 2019 Annual Report on Data from the Registry of Public Sector Employees, March 2020, Ministry of Information Society and Administration, available at: https://www.mioa.gov.mk/sites/default/files/pbl_files/documents/reports/izvestajreg2019.pdf



guarantee complete and updated data records, especially an accurate and precise Registry of Public Sector Employees”.³⁶

In 2019, MISA worked on consultations related to amendments to the Law on Civil Servants and the Law on Public Sector Employees. These consultations resulted in detection of main challenges arising from legal texts in these areas, after which MISA started drafting proposals to address them by amending the relevant laws.³⁷ The civil society, stakeholders, experts and professors in this area participated in these consultations and submitted their comments and recommendations. Adequate analyses were developed for changes to these two laws³⁸ and they detected current weaknesses, but also changes that should be made in the following period, in order to promote work of the public administration.

As part of the process for public administration reorganization, in 2019 individual meetings were organized with the civil society to collect data for development and implementation of this process. In addition, consultations were held with all chambers of commerce and trade unions in the state regarding transfer of employees from the public to the private sector, which is one aspect of the comprehensive process for public administration reorganization. At this moment, it remains unknown whether any such transfers have taken place as a result of consultations and negotiations.

Major novelties in this sector include the initiative for adoption of the Law on Senior Civil Service (SCS).³⁹ Adoption of this law will establish unified procedure for appointments to senior civil service posts, professionalization of these positions as separated from political governance, with policy responsibilities. The senior civil service will have specific legal status, separated and different from the Law on

³⁶ “Effectiveness and Efficiency of Measures and Activities Taken by the Ministry of Information Society and Administration for Full Implementation of the Human Resources Management Information System at Public Sector Institutions”, Final Report on IT Audit, November 2019, State Audit Office, available at: https://dzr.mk/sites/default/files/2020-02/54_RU_Ministerstvo_informaticko_opstestvo_administracija_informaciski%20sistem_upravuvanje_covecki_resursi_2019.pdf

³⁷ PROPOSED LAW ON AMENDING THE LAW ON CIVIL SERVANTS, available at https://ener.gov.mk/Default.aspx?item=pub_regulation&subitem=view_reg_detail&itemid=53332; LAW ON AMENDING THE LAW ON PUBLIC SECTOR EMPLOYEES, available at: https://ener.gov.mk/Default.aspx?item=pub_regulation&subitem=view_reg_detail&itemid=53330

³⁸ Analysis of the Law on Civil Servants, available at: http://mioa.gov.mk/sites/default/files/pbl_files/documents/analiza_na_zas_24092018.pdf; Analysis of the Law on Public Sector Employees, available at: http://mioa.gov.mk/sites/default/files/pbl_files/documents/analiza_na_zvjs_24092018.pdf

³⁹ Law on Senior Civil Service, available at: https://ener.gov.mk/Default.aspx?item=pub_regulation&subitem=view_ann_detail&itemid=R6x2TA4liVCBOstULlubrg==

Civil Servants. This law should lead to reduced political influences, strengthened capacity of management structures, and enhanced accountability of senior civil service staff. The law was published on ENER, but there are no follow-up actions due to dissolution of the Parliament of the Republic of North Macedonia.

2019 marked the start of the process for amending the Law on General Administrative Procedure. At the moment, analyses are developed and legal solutions are designed for establishment of the system of unified administrative practice at public bodies, but this procedure will be completed during the next reporting period. Obligations stipulated under this law include data exchange among IT systems at state institutions, i.e. the process of interoperability (project “Interoperability 2.0.”).⁴⁰ Unhindered flow of information through the interoperability platform reduces time needed for transfer of information between state institutions and, in turn, facilitates the flow of electronic information for provision of public services adjusted to the needs of citizens and businesses. At this moment, 32 institutions are involved and it is anticipated for the number of institutions and the number of services to increase in the following period.

The Law on Electronic Management and Electronic Services⁴¹ was adopted in 2019. This law regulates the work of institutions when exchanging electronic data and documents, i.e. provision of electronic services, when such services are regulated by law, but it also covers issues related to establishment and operation of the National Portal of e-Services, the Catalogue of Services and the Single Point of Services. Relevant to this law and related to e-services, in 2019, efforts were made for development of the National Portal of e-Services.⁴² The legal basis for operation of this portal is given in the Law on Electronic Management and Electronic Services, which defines electronic exchange of data and the method of such data exchange, provision of e-services, operation of data mediators, etc. Other laws important for operation of this portal are the Law on Central Register of the Population⁴³ and the Law on Electronic Documents, Electronic Identification and Trust Services.⁴⁴

⁴⁰ Ministry of Information Society and Administration, Project “Interoperability 2.0.”, available at: <https://www.mioa.gov.mk/?q=mk/node/1320>

⁴¹ Law on Electronic Management and Electronic Services, “Official Gazette of RNM” no. 98/2019

⁴² <https://uslugi.gov.mk/>

⁴³ Law on Central Register of the Population, “Official Gazette of RNM” no. 98/2019

⁴⁴ Law on Electronic Documents, Electronic Identification and Trust Services, “Official Gazette of RNM” no. 98/2019



Moreover, this portal allows citizens to propose improvements to the overall process for provision of e-services, i.e. they can make proposals for introduction of new services that would be made available in electronic form. In that regard, activities continued for introduction of new services in the Catalogue of e-Services. By 30 June 2019, more than 1,100 services were introduced, as described in around 170 laws. Having in mind that 2019 marked the start of these large-scale activities, their implementation will be monitored in the following period.⁴⁵

By the end of 2018, the open data portal (<http://www.otvorenipodatoci.gov.mk>) was promoted, creating an environment of open data wherein data are generated, opened, enriched and reused by different actors from the public, private, academic and civil sector. The open data portal facilitates distribution of open data. Moreover, it allows users a single point of access to open datasets from all institutions, where they can browse, download and visualize datasets.

With a view to promote public administration work and efficiency and enforcement of laws in the practice, in its 2019 Annual Report, the Ombudsman noted: “Statistics show that, in the past year as well, problems faced by citizens in exercise of their rights generally remained the same, although an increase is noted in regard to complaints lodged in the areas of social protection, healthcare and children rights”.⁴⁶

In 2019, within the sector working group on public administration reform, MISA developed a set of indicators to measure performance in this sector in the following period. These indicators are known as Performance Assessment Framework Indicators (PAF indicators). Moreover, MISA organized a plenary session for consultations on these indicators, at which the civil society submitted its comments, but they were rejected without any adequate justification. The monitoring of defined indicators and evaluation of the overall performance in this sector will start next year.

Having in mind the scope of policies covered in the area of *public administration reform* and the cross-sectoral nature of this issue under the EU negotiations process, efforts are needed for intensive work and regular reporting on attainment of criteria for efficient and transparent public administration.

⁴⁵ Analysis of Available Electronic Services, Iskra Belcheva-Ristovska, Martin Todevski, Center for Change Management, Skopje 2020, available at: <http://www.cup.org.mk/publication/analysis-of-the-available-electronic-services>

⁴⁶ Annual Report on Level of Respect for, Promotion and Protection of Human Rights and Freedoms, Skopje, March 2020, the Ombudsman Office, available at: <http://ombudsman.mk/upload/Godisni%20izvestai/GI-2019/GI-2019.pdf>

Several basic laws will be amended in 2020, as follows: Law on Civil Servants, Law on Public Sector Employees, Law on General Administrative Procedure, and adoption of the Law on Senior Civil Service. Having in mind the relevance of these processes, involvement of the affected civil society in all stages is the basic measure that should be ensured in all processes. In order to secure comprehensive involvement of civil society organizations, efforts are needed for timely information dissemination to all stakeholders in order to leave sufficient period of time for review and analysis of proposed solutions. The law texts should also be discussed at meetings of sector working groups that serve as formal mechanism for consultations between state institutions, civil society and donor community.

Sector working group on Public Administration Reform



The sector working group on public administration reform was formed in 2015. Its work and competences are governed by the rules of procedure and the work decision. This sector group is chaired by the Minister of Information Society and Administration (MISA). Members of the sector group include representatives from MISA and other institutions whose competences overlap with the sector-wide approach in this area, donor community and the civil society. A total of twelve (12) civil society representatives participate in work of this sector group, with the status of members. When needed, non-member representatives from institutions, donor community and the civil society, are also invited to attend the sector group's plenary sessions. In 2019, this sector working group held one plenary session on 18.11.2019.

The sector working group on public administration reform was formed in 2015 by means of decision taken at the 65th session of the Government of the Republic of North Macedonia.⁴⁷ The Ministry of Information Society and Administration (MISA) and the Secretariat for European Affairs (SEA) lead and are responsible for work of this sector group. The

⁴⁷ Decision from the 65th session of the Government of RNM held on 31.3.2015



minister of information society and administration serves as the sector group chair, while the head of cooperation at the EU Delegation in the Republic of North Macedonia is the co-chair.

Areas falling within competences of this this sector working group are:

- | policy creation and coordination;
- | implementation of the legislation;
- | enhancing the human resources management framework at state and local level;
- | respect for the merit-based principles;
- | e-services;
- | e-procurements; and
- | free access to public information.

The purpose for establishment of this sector working group is to ensure coordination at expert level for creation of national policy documents, cross-sector and sector strategies and developmental programmes in this policy area. The Strategy on Public Administration Reform 2018 - 2022 is the basic document for the overall sector approach in this policy area.

The sector working group on public administration reform was formed by means of decision and has own rules of procedure adopted by the minister of information society and administration. The rules of procedure stipulate all rules, procedures and the scope of work for this sector group, while the decision enlists all members in the sector working group from institutions, donor community and the civil society. These two documents ensure regular work of this sector working group.

Functionality and civil society participation in the sector working group on public administration reform

Each sector working group is comprised of chair (representative from the highest ranking institution, i.e. the line minister), secretary and members. According to article 3 of the rules of procedure, civil society representatives are equal members of the sector working group, together with the donor community and representatives from the institutions. The civil society was first involved in work of this sector group in 2016. In addition to civil society representatives, members of this sector working group include representatives from the Ministry of Information Society and Administration and representatives from other institutions whose competences correspond to the sector approach in this policy area. When needed, non-member representatives from institutions, donor community and the civil society can be invited to attend plenary sessions.

Involvement of the civil society in work of sector working groups is one of the preconditions for implementation of the sector-wide approach under IPA II.⁴⁸ A total of twelve (12) civil society representatives are members of this sector group and they come from different civil society organizations, those being: Foundation Open Society –Macedonia; Institute for Human Rights; PROGRESS - Institute for Social Democracy; Institute for Democracy *Societas Civilis*; Macedonian Center for International Cooperation; European Policy Institute; Association for Developmental Initiatives *Zenith* – Skopje; Metamorphosis Foundation; National Democratic Institute; International Foundation for Election Systems; International Republican Institute; and Macedonian Young Lawyers Association.

Initial identification of relevant partners among civil society organizations for participation in the sector working group on public administration reform started in 2015 (when it was formed), by means of an open call published by the Secretariat for European Affairs,⁴⁹ whereby all civil society organizations were able to indicate policy areas in which they operate or have interests. Based on submitted applications, the Secretariat for European Affairs presented the Ministry of

⁴⁸ Ministry of Information Society and Administration, responses obtained to requests submitted under the instrument for free access to public information.

⁴⁹ “Open with the Civil Society”, open call for all civil society organizations interested in consultations and participation in working groups under IPA II, Secretariat for European Affairs



Information Society and Administration with shortlisted organizations that have expressed interest for the sector on public administration reform and they are part of the minister's decision for establishment of this sector group. As addition to this list of civil society organizations, the Secretariat for European Affairs submitted another list of organizations that have applied for debate and discussions at the Secretariat for European Affairs.⁵⁰ However, when deemed necessary, the ministry has an open opportunity to include additional number of civil society representatives in work of the sector working group by means of direct contacts with civil society organizations with which it has already cooperated.

The Strategy on Public Administration Reform 2018-2022⁵¹ is the basic document in the policy area covered by this sector working group. The document covers different topics, policy areas and objectives to be achieved by implementation of relevant activities which, depending on their purpose, are coordinated by different sectors and institutions. Having in mind that the Strategy on Public Administration Reform is the basic strategy document in this policy area and was developed after formation of this sector working group, in order to involve as many non-member civil society organizations the Ministry of Information Society and Administration attempted to ensure inclusivity for all organizations interested in the overall public administration reform process by announcing various targeted calls for the civil society. The first public call for work meeting with the non-governmental sector was held on 13th April 2016 and continued with consultations on democratic public administration reforms among MISA representatives, civil society organizations and experts, representatives from the international community, trade unions and the media, held in June 2017.⁵² After this meeting, a separate call was announced for submission of comments to the draft strategy on public administration reform, which essentially provides the strategy framework for the entire sector and is among key criteria for establishment of the sector-wide approach in the field of public administration reform. This sector working group operates by means of plenary sessions with all members held in the course of the calendar year.

The rules of procedure stipulate that the sector working group should hold four sessions per year, i.e. one session per quarter. This dynamics

⁵⁰ Secretariat for European Affairs, available at: www.sep.gov.mk/nvo-list/

⁵¹ Strategy on Public Administration Reform 2018-2022, Ministry of Information Society and Administration, available at: <http://mioa.gov.mk/?q=mk/node/1587>

⁵² Ministry of Information Society and Administration, available at: <http://mioa.gov.mk/?q=mk/node/1339>

was not respected in 2019 when the sector working group held just one session (18.11.2019). Invitation for plenary sessions sent to members should always include the agenda and purpose of the meeting, i.e. all relevant documents that will be considered at the scheduled meeting. According to the rules of procedure, the anticipated deadline of 10 days for scheduling meetings should ensure timely information, equality in receiving information, as well as relevant remarks or comments on documents. This approach provides previously developed, clear and adequate contribution by the civil society. However, in 2019, the content and purpose of some documents was not made known in advance to sector group members, especially those from civil society organizations. More specifically, in 2019, the Ministry of Information Society and Administration worked on development of the Performance Assessment Framework with indicators to measure progress in implementation of reforms in this sector. Actually, the Performance Assessment Framework in this sector is among criteria for establishment of the sector-wide approach in the policy area on public administration reform. Developed indicators were shared with the civil society and were presented at the plenary session held on 18th November 2019. This monitoring noted that the session was attended by four (4) civil society organizations. In that, civil society representatives indicated they had not been informed about the process for development of such serious and basic document for the sector approach in the policy area on public administration reform and attempted, by raising questions, to learn about the document's goal and purpose, having in mind that the Strategy on Public Administration Reform 2018-2022 is already adopted. Despite the lack of information, civil society organizations participated with own comments aimed to improve quality of the already drafted document. At this plenary session, the chair and co-chair allowed space for the civil society to present their views and opinions. This approach is particularly prominent in the sector working group by allowing civil society representatives to submit additional comments and remarks in written. According to findings from this monitoring, the Ministry of Information Society and Administration is open in leading sector group meetings, leaves space to civil society organizations for additional analysis and discussions when deemed necessary by their representatives, thereby developing positive opinion and positive attitude to civil society participation in the sector working group. According to the rules of procedure, the chair and co-chair allow civil society representatives to raise initiatives and to take activities for support and implementation of such initiatives.



As regards follow-up communication with the civil society in relation to acceptance of their remarks and evaluation of the civil society impact, it should be noted that some civil society organizations expressed dissatisfaction with negative attitude towards their participation by means of submitting written comments aimed to improve the Performance Assessment Framework, which had been denied without adequate justifications. In the future, this attitude might seriously harm activities of civil society organizations and their participation and contribution in promotion of the work under the sector approach.

Work, analyses and discussions at meetings held of the sector working group on public administration reform are recorded in relevant minutes which, after being drafted and approved by the chair, are distributed to all members and other attendees at the meeting held.

According to the rules of procedure, the basic method of work for this sector group is an annual work plan that defines activities, expected outcomes, responsibilities and resources. Development of such annual work plan will allow all members predictability of activities at meetings, adequate coordination between development of documents at all levels, adequate programming of the sector approach and participation of all members in early stages of planning and programming activities, not only in the final stage of implementation. Moreover, such plan will ensure continuity, predictability, transparency and availability of information for all members and will advance work of this sector group. The annual plan of activities will also ensure quality and more comprehensive contribution by the civil society. Moreover, civil society organizations will have insight in work and development of documents, having in mind that the annual plan will also include activities for internal development of documents at the ministries. However, the methodology tools used for this report showed that the annual work plan is not developed and cannot be developed and used in the future (as work activity), having in mind the overall process for preparation and organization of meetings of the sector working group and all activities of the chair and the co-chair, as well as ongoing processes for other strategy documents or activities. In addition, it should be noted that development of annual work plan is not characteristic activity for most sector working groups, as shown by this monitoring report.

One of key principles which the sector working groups should advocate for and uphold concerns transparency. However, transparency differs from one to another sector working group. Hence, information on meetings, minutes and discussions within the sector working group on

public administration reform are made available only to its members or other representatives attending these meetings. Information, documents, reports and minutes from work of this sector working group cannot be found on the ministry's official website for all other interested persons that are not sector group members or have not been invited to attend meetings. On the contrary, development of sector documents by the Ministry of Information Society and Administration (for example, the Strategy on Public Administration Reform 2018-2022) allows broader and more comprehensive access to all stakeholders, as well as more information and documents made available on official channels for communication with citizens.

As one of the three formal mechanisms for dialogue between representatives from institutions and representatives from the civil society, participation of civil society representatives is necessary in order to create sector policies of better quality and scope. Through their work and through their contribution and experiences acquired in this policy area over the last years, the civil society can make a significant contribution to improve the programming process and to facilitate challenges in development of public documents. Therefore, the civil society should be active and constructive at meetings of the sector working group. In order to ensure adequate participation at meetings, the civil society needs to be timely and fully informed about processes and documents under development or whose development is expected in the forthcoming period. The monitoring at plenary sessions noted that civil society participation in the sector working group on public administration reform is characterized by regularity, activity and constructiveness. Although the chair and co-chair, as well as other sector group members, have positive attitude to views of civil society representatives and are open for analysis and discussion, representatives from the civil society organizations identify lack of adequate information concerning documents and policies that require their contribution. This was especially prominent in the aftermath of the plenary session held because for civil society representatives to be able to make remarks about the developed document (Performance Assessment Framework), they need to be timely involved in its creation and need to be informed about its purpose and the follow-up process.



CSO capacity to participate in work of the sector working group on public administration reform

One segment from the monitoring methodology for sector working groups concerns capacity of civil society representatives that participate in work of sector working groups. Members of the sector working group on public administration reform include civil society organizations that applied on the 2015 open call and they demonstrate relevant work experience in this policy area. According to survey questionnaires completed by civil society organizations, knowledge of relevant policy documents, conclusions and recommendations made by civil society organizations that are members of the sector working group on public administration reform is assessed with a score of 4 (on the scale from 1 to 5, where 1 is the lowest and 5 is the highest). Hence, it could be concluded that civil society representatives have high score and have demonstrated ability, knowledge and skills in the relevant policy area, which they use to discuss, exchange information and raise initiatives.

One of the main questions raised among civil society organizations that are members of sector working groups is their representation in these groups, i.e. whether they represent all organizations that operate in the relevant policy area or they only represent views of their organization, as that would imply different competences and obligations of civil society organizations that participate in sector working groups. Hence, for organizations to be able to adequately represent views of the entire civil sector in the given policy area, their representatives (individually and/or in cooperation with other sector group members) should organize consultations in the form of public forums, public debates or informative sessions, in order to obtain information from end users about their views, needs and problems related to important issues. Be that as it may, survey questionnaires conducted among civil society organizations showed that sector group members do not organize such meetings in order to inform or to collect views from other civil society organizations. Consequently, the civil society is confused about the manner in which they are represented. The line ministries that chair relevant sector working groups believe that civil society organizations that are sector group members actually represent the entire civil society, which is contrary to answers shared by civil society organizations. This issue is directly related to the manner in which civil

society representatives are selected and appointed as members of sector working groups. More information on this matter is provided in the report section titled *“Enhancing civil society participation and the need to revise the model for selection of civil society representatives in sector working groups”*.

Although the civil society organizations have different opinions about which entities they represent, common answers among those that completed the survey questionnaire concern their organization into networks (local, national, regional and international), allowing them to collect information, i.e. coordinate about documents and activities of the sector working group. Through these associations, civil society organizations act jointly and coordinated in the process for presentation and advocacy for their views and opinions about various policies in the given area.

The sector working groups are not the only mechanism for civil society participation in policy-making processes. According to minutes from sessions, responses from institutions and survey questionnaires, civil society organizations participate in public consultations organized for different purposes in greater numbers and more often. According to answers obtained to the survey questionnaire, the number of civil society organizations that participate in public consultations around particular policy is increasing year after year: 55 organizations responded they took part in public consultations (2019), 53 organizations (2018), 44 organizations (2017), 21 organizations (2016), 12 organizations (2015) and 7 organizations (2014). Actually, public consultations allow greater number of organizations to participate in development of document and to submit remarks. This attitude to public consultations is shared by the institutions. In this case, for each activity under public administration reform (development of strategy, action plan and consultations for e-tools) the Ministry of Information Society and Administration publishes/sends different calls for civil society participation. Such invitations/calls have a much broader coverage from civil society organizations that are members of the sector working group. Nevertheless, participation of civil society organizations as equal members in formal consultation mechanisms is different from participation of civil society organizations in consultation processes that are independently organized by line ministries.



Effects from work of the sector working group on public administration reform

The sector working group on public administration reform covers many subsectors, such as: public and administrative officers, e-administration, transparency and accountability, cooperation with the civil society, etc. The civil society organizations demonstrate expertise in different areas and fields, which is assessed as positive in order to have constructive participation. The civil society organizations that are members of this sector working group produce analyses, research papers and policy documents in their respective areas of operation, aimed to inform the public about important issues, but also to contribute to informed decision-making process within the sector working group. Most often, these documents are addressed to institutions/ministries that lead and organize work under the sector-wide approach, which allows the institution to have coordinated information on all sector policies. The organizations that are part of the sector working group are assessed as civil society organizations that regularly work in the area of public administration reform in the last years and produce policy documents based on own analyses and research that could serve the institutions and the sector working group in development of relevant documents. According to minutes from meetings held by this sector working group, most of their remarks and comments are based on previously obtained or published information from their work in this policy area.

In addition to programming strategy, planning and other public documents, the sector working group should also monitor progress of reforms in the entire sector. For the time being, the sector working group on public administration reform does not have an established and coordinated functional system for developing annual planning documents. These processes are conducted partially, according to the need for certain documents and activities. The fact that institutions organize consultations and meetings and publish calls for different civil society organizations depending on the activity in question allows the conclusion that there are no established practices and functional system for the sector approach.

Having in mind the scope of the sector working group that coordinates the sector approach for public administration reform, its impact on promotion of policies should be greater. Management of sector working groups is raised to the highest level, i.e. the level of line ministers. Such

formal organizational setup for sector working groups, as stipulated in their rules of procedure, assumes serious exchange of information, programming and implementation of all sector, programme and public documents. Contrary to the organizational setup in their rules of procedure, the scope and scale of work performed by sector working groups are variable and specific to each sector group. Basic functions of the sector working group on public administration reform is foreign aid coordination according to sector priorities under IPA, making recommendations and proposals for coordination and better utilization of foreign aid. Representatives of the donor community are members in all sector working groups and they attend plenary sessions in order to obtain information about strategy documents and activities for which funding is programmed or should be programmed. Findings from the monitoring at plenary sessions showed that donor presence at these sessions is more focused on obtaining information about ongoing activities of institutions, while there are little if any activities that lead to “coordination of donor support”. Based on available documents, coordination of donor support is pursued at lower, i.e. bilateral level, while plenary sessions are used only to report on current activities and documents. According to the rules of procedure, in addition to coordination of donor support, the sector working group on public administration reform should use, coordinate and correlate with NPAA,⁵³ and should ensure that proposals for formulation of sector policies and developmental programmes made by all stakeholder groups and individuals and implementation of donor support are in compliance with the EU integration policy of the Government of the Republic of North Macedonia, including gender equality policies in RNM and at EU level. This monitoring noted low level of such practices that are part of the rules of procedure. Actually, the general conclusion from this monitoring process refers to the fact that what actually happens in practice does not correspond to what has been written and anticipated.

53 National Programme for Adoption of the EU Acquis, Secretariat for European Affairs, available at: <http://www.sep.gov.mk/content/?id=13>

Recommendations for the sector working group on public administration reform



- To change and amend the rules of procedure. Based on the above elaborated, it could be concluded that the rules of procedure are partially enforced in operation of the sector working group on public administration reform. Having in mind that this sector group operates for several years, there is space to change its rules of procedure in compliance with already established practices. In that, the rules of procedure need to reflect the current situation and should be respected in work of this sector group. In this situation, the rules of procedure (as basic document that regulates operation of the sector working group) do not reflect the procedural rules or the scope and purpose of this sector working group.
- To establish the sector group's work plan and dynamics. As formal cooperation mechanism between the civil society and institutions, the sector working group needs to have annual work plans that will anticipate dynamics, documents and expectations from its work. In that, the annual plan should include main objectives that are in the focus of this sector working group throughout the year. Such type of planning will allow all actors, i.e. sector group members, to be involved and informed in the early stages of the process for planning and programming activities and documents.
- To strengthen the capacity of civil society organizations. In order to adequately understand the civil society's role and to support and stimulate civil society participation in sector working groups, efforts are needed to build their capacity about the objectives, scope and work of sector working groups. This activity is necessary in the light of the start of accession negotiations with the European Union and, consequently, the goal and the role of coordination under the sector-wide approach.

- To involve civil society organizations in the process for programming strategy and planning documents. For the civil society organizations to be able to adequately participate and contribute to promotion of work under the sector-wide approach, they need to be involved in the early stages of the process for programming and planning documents and activities. Such approach will encourage their participation and will establish partnership relations between civil society organizations and institutions.
- To increase transparency and communication in work of the sector working group on public administration reform. Based on monitoring findings and the principle of transparency that underlines the basic documents on work and operation of this sector working group, all documents (minutes, rules of procedure, decisions) need to be published on the official website of the Ministry of Information Society and Administration.
- To monitor implementation of adopted strategy documents, policies and approaches. It is necessary for the sector working group to establish a monitoring mechanism for implementation of its strategy and basic documents, including the indicators established under the Performance Assessment Framework. At this moment, plenary sessions lack monitoring on implementation of documents, moreover having in mind that this process can be always improved, especially with participation of the civil society that has experience in monitoring documents.



2. SECTOR WORKING GROUP ON PUBLIC FINANCE MANAGEMENT

Public finance management is one of the most voluminous sectors in the country, both in terms of policy areas covered, but also in terms of the number of institutions involved in implementation of policies and reforms anticipated.

The baseline document in this sector which covers policies and future reforms is the Public Finance Management Reform Programme 2018 - 2021, adopted in December 2017. It covers the country's fiscal framework, revenue mobilization, budget planning, budget adoption and execution, transparency and reporting, as well as financial control, external control, i.e. state audit and parliamentary oversight.

Except for the fact that it is connected and partially arises from other strategy documents, such as the IPA II Indicative Strategy Paper (2014 - 2020), the Economic Reform Programme 2017 - 2019,⁵⁴ the Fiscal Strategy 2017 - 2019⁵⁵ and the Strategy on Public Administration Reform.⁵⁶ The Public Finance Management Reform Programme covers several sub-reform documents (previous and new), such as the Tax System Reform Strategy 2020 - 2023,⁵⁷ the Public Internal Financial Control Policy Paper 2019 - 2021,⁵⁸ PRO Strategic

⁵⁴ Economic Reform Programme 2017-2019, Ministry of Finance, available at: <https://finance.gov.mk/mk/node/4831>

⁵⁵ Fiscal Strategy 2017-2019, Ministry of Finance, available at: https://finance.gov.mk/files/Fiskalna_Strategija_na_RSM_2020-2022_FINAL_c1.pdf

⁵⁶ Strategy on Public Administration Reform, Ministry of Information Society and Administration, available at: <https://mioa.gov.mk/?q=mk/node/1587>

⁵⁷ Tax System Reform Strategy 2020-2023, Ministry of Finance, available at: https://finance.gov.mk/files/u3/%D0%94%D0%B0%D0%BD%D0%BE%D1%87%D0%BD%D0%B0_%D1%81%D1%82%D1%80%D0%B0%D1%82%D0%B5%D0%B3%D0%B8%D1%98%D0%B02020_2023_1.pdf

⁵⁸ Public Internal Financial Control Policy Paper and Action Plan 2019-2021, Ministry of Finance, available at: <https://finance.gov.mk/files/u249/PIFC%20PP%2007.03.2019%20MK.pdf>

Plan 2019-2021,⁵⁹ SAO Development Strategy 2018-2022,⁶⁰ Customs Administration ICT Development Strategy 2019-2023,⁶¹ etc.



Having in mind such broad coverage of sub-sectors, *public finance management* is among the most dynamic and most complex sectors in the country and is marked by continuous developments, even beyond the Public Finance Management Reform Programme. On annual level, numerous regulations are adopted, changed and amended. Hence, in 2019, four (4) new laws were adopted, as follows: Law on Public Procurements⁶² (adopted in January, in effect from April 2019), Law on Excise⁶³ (adopted in May 2019), Law on Public Procurements in the Area of Defence and Security⁶⁴ (adopted in September 2019) and Law on Motor Vehicle Tax⁶⁵ (December 2019).

On the other hand, many other laws in this sector underwent numerous changes, such as the Law on Value Added Tax, which was amended as many as three times in the course of one year (May, June and December 2019).

It should be noted that some of these changes were not decisively anticipated under the Public Finance Management Reform Programme (for example, adoption of the new Law on Excise or the Law on Public Procurements in the Area of Defence and Security), while others were not even mentioned in the programme (for example, the Law on Motor Vehicle Tax whose adoption was imposed as obligation after the Law on Excise was passed).

As regards the Public Finance Management Reform Programme, its implementation is monitored through the annual action plans and reports on their implementation. According to these reports, in 2019, 40% of indicators defined under programme objectives were attained, 31% of indicators were partially attained, and 29% of indicators remained unattained.

⁵⁹ PRO Strategic Plan 2019-2021, Public Revenue Office, available at: http://www.ujp.gov.mk/files/attachment/0000/1136/Strateski_plan_2019-2021_08.01.2019_web.pdf

⁶⁰ SAO Development Strategy 2018-2022, State Audit Office, available at: https://dzt.mk/Uploads/Strategija_za_razvoj_na_DZR_2018_2022_REDUCED.pdf

⁶¹ Customs Administration ICT Development Strategy 2019-2023, Customs Administration, available at: <http://www.carina.mk/images/documents/e-carina/StrategijaKT20192023.pdf>

⁶² Law on Public Procurements, "Official Gazette of RNM" no. 24/2019

⁶³ Law on Excise, "Official Gazette of RNM" no. 108/2019

⁶⁴ Law on Public Procurements in the Area of Defence and Security, "Official Gazette of RNM" no. 180/19

⁶⁵ Law on Motor Vehicle Tax, "Official Gazette of RNM" no. 261/2019

More significant achievements in 2019 include adoption of the new Law on Public Procurements and the Law on Public Procurements in the Area of Defence and Security, which to great extent address accumulated problems in public procurements and achieve greater alignment with EU Directives in these fields; start of the new system on electronic processing of customs declarations (since June 2019), and publication of treasury payments to budget beneficiaries from the Budget of RNM, which are publicly available since November 2019 on the open finance web-portal (open.finance.gov.mk). Significant increase of efficiency in implementation of this programme is noted in development of the Performance Assessment Framework Indicators (PAF indicators).

However, many significant commitments anticipated for 2019 remain undelivered, including activities planned for 2020, such as adoption of new or revised Law on Budgets, formation of the Fiscal Council, adoption of the Debt Management Strategy, introduction of comprehensive mid-term budget framework, adoption of new legal framework in line with the EU *acquis* and improving efficiency of the system of public-private partnerships and the system of concessions, adoption of new Law on Public Internal Financial Control, designing mechanism for the Parliament's proactive role in reconsidering SAO's audit reports, etc.

Sector working group on Public Finance Management



The sector working group on public finance management was formed in 2018 by means of decision taken by the Minister of Finance, who also serves as the sector group's chair. This sector group does not have own rules of procedure and its work is regulated by the decision on establishment, which also stipulates its objectives, composition and tasks. According to the last decision, this sector group includes representatives from institutions covered by the Public Finance Management Reform Programme and Action Plans, representatives from involved state institutions pursuant to the sector-wide approach, donor community and the civil society. A total of seven (7) civil society representatives participate in work of this sector group, with the status of observers, although their participation does not differ from those of civil society representatives in other sector groups. In 2019, this sector working group held one plenary session on 5.11.2019.

Functionality of the sector working group on public finance management

The sector working group on public finance management was formed by means of decision taken by the Minister of Finance on 17.4.2018 as operational mechanism to monitor implementation of the Public Finance Management Reform Programme 2018-2021,⁶⁶ adopted by the government on 19.12.2017, and annual action plans for its implementation (the first action plan for 2018 was adopted on 20.2.2018.)⁶⁷ This sector group follows-up on work performed by the public finance management working group formed on 10.6.2015, but with new tasks and under changed and expanded composition.

⁶⁶ https://www.finance.gov.mk/files/u3/PFM%20Reform%20%20Programme__MK%20DEC%202017_final%20VLADA.pdf

⁶⁷ 2018 Action Plan for Implementation of the Public Finance Management Reform Programme, available at: https://www.finance.gov.mk/files/u3/Akciski%20plan%20za%202018_Programa%20za%20reforma%20na%20PFM_fev%202018_MK%202.pdf

The sector working group does not have own rules of procedure and operates according to the decision for its formation, which also defines its objectives, structure, composition and tasks. Therefore, any changes to sector group membership necessitate adoption of new decision for its formation. In the period April 2018 – April 2020, a total of four decisions are adopted for formation of this sector working group.

Nevertheless, the Public Finance Management Reform Programme includes particular guidelines and elements for operation of this sector group that are not regulated under the decision for its formation.

The purpose of this sector working group is to establish and maintain a functional sector approach in the policy area on public finance management. Its tasks include:

- coordination and implementation of activities for programming, monitoring and reporting in the context of IPA II for the sector on public finance management;
- development of the Public Finance Management Reform Programme and participation in the process for its revision, i.e. mid-term and final evaluation of programme objectives and outcomes;
- development of draft annual action plan for implementation of the Public Finance Management Reform Programme;
- coordination/implementation of activities from the Public Finance Management Reform Programme;
- monitoring implementation of the program and its action plans against defined results, indicators and targets, in compliance with the previously assigned roles and responsibilities for programme implementation, monitoring and updating (Chapter III);
- development of semi-annual and annual reports on progress in implementation of the programme and its annual action plans;
- cooperation with relevant institutions involved in implementation of activities;



- securing support for the policy dialogue process with donors and other stakeholders in implementation, funding and scope of public finance management reform;
- participation in risk management processes and proposing/taking corrective activities to address identified risks;
- securing information necessary for preparation of sessions held by the Council on Public Finance Management;
- coordination and monitoring of recommendations made by the Council on Public Finance Management related to the timeline on implementation and funding of activities and addressing identified problems; and
- securing necessary information to the external expert team that will assist in development of documents, coordination and communication between the expert team and responsible officers to secure other necessary information.

The sector working group on public finance management is comprised of chair, deputy chair, work coordination department, priority coordinators / measure leaders (from the Action Plan for Implementation of the Public Finance Management Reform Programme),⁶⁸ members, observers from civil society organizations and observers from the donor community.

By the nature of the public office, the minister of finance serves as chair of this sector group, while deputy chair is the state advisor for issues related to international finances and harmonization with EU and decentralized management of EU funds. An exception from this practice was noted during a short period in 2019 when this working group was chaired by the deputy minister of finance pending appointment of the new minister.

According to the most recent decision, work of this sector group is performed by 33 priority coordinators or measure leaders,

⁶⁸ Public Finance Management Reform Programme, Ministry of Finance, available at: <https://www.finance.gov.mk/mk/node/7868>

i.e. representatives from institutions covered under the Public Finance Management Reform Programme and action plans for its implementation, as well as 19 members who are also representatives from involved state institutions. A particular characteristic of this sector working group concerns the fact that civil society organizations have the status of observers, although they do not differ from the method of civil society participation in other sector working groups. Hence, civil society representatives can participate in discussions and make proposals and opinions that are further reconsidered by competent institutions.

More significant changes to the sector group composition were made under the last decision for its establishment adopted on 12.9.2019, which primarily concerned appointment of the new minister of finance (in ex-officio capacity) as the sector group chair. Moreover, this decision appointed the deputy minister of finance, for the first time, as sector group member, while observers, i.e. representatives from civil society organizations and the donor community, instead of being enlisted by name and surname, are now designated only as representatives from organizations/institutions they represent.

Hence, the number of observers from civil society organizations remained the same (seven), while the number of observing institutions from the donor community is nine (having in mind that previously the EU Delegation was represented by seven individual members, while the new decision enlists “representative from the EU Delegation”).

From April 2018 to present, the sector working group held a total of four meetings, of which three were organized as joint meetings with the so-called Public Finance Management Policy Dialogue (between the EU and MoF). This means that all meetings are held in English language, including all official and work materials of this sector working group.

Plenary sessions of the working group are held according to the following agenda: introduction part, moderated by the deputy chair, is dedicated to adoption of minutes from the last meeting, followed by introductory speeches by the chair, i.e. the minister of finance, and the head of cooperation from the EU Delegation in the Republic of North Macedonia, and later, priority coordinators or measure leaders and members from institutions provide brief semi-annual overview on implementation of the programme’s action plan, followed by discussion of opinions and proposals made by representatives from civil society organizations and the donor community.



It is evident that meetings of this working group organized together with the PFM Policy Dialogue are also attended by members of the programme's highest implementing body, i.e. the Council on Public Finance Management, which is comprised of high level representatives from institutions involved in the system of public finance management.

Based on defined tasks and established work practices at this sector group, it could be concluded that its existence and operation is closely related to implementation of the Public Finance Management Reform Programme. Actually, this programme serves as the basic document for operation of this sector working group.

Although the decision on formation of this working group does not provide any explicit references, the Public Finance Management Reform Programme indicates that the working group should meet at least every three months. In practice, the dynamics of sector group meetings is determined by the semi-annual schedule for development of reports on implementation of the programme's action plans. Hence, with minor deviations, this working group holds two meetings per year. The fifth meeting from adoption of the valid decision (in April 2018) and the first meeting for 2020 that should have taken place in March this year was postponed due to coronavirus prevention measures and consultations around the annual report were organized online.

Invitations and materials for meetings of this working group are distributed electronically, seven to ten days in advance, allowing sector group members to first receive announcement for the meeting, followed by meeting agenda and work materials. Also, after the meeting, members have the opportunity to submit comments and remarks about documents discussed (reports on implementation of the programme's action plans) in electronic format. It is not known whether received comments and remarks are shared with all members or they are considered only by the working group's coordination department.

As regards transparency in operation of this sector working group, all official communication channels maintained by the Ministry of Finance do not regularly share information on work of this sector group.

Civil society participation in the sector working group on public finance management

As indicated above, civil society representatives participate in work of the sector working group as consultation mechanism for implementation of the Public Finance Management Reform Programme, which is also stipulated in the programme document.

The line ministry initiates participation of the civil society. Hence, in March 2018, i.e. one month prior to formation of this working group, the Ministry of Finance directly communicated with nine (9) civil society organizations with a request to nominate observers in the sector working group. Seven from these nine civil society organizations nominated their representatives. They are: Center for Economic Analyses; Association of Young Analysts and Researchers; Finance Think – Economic Research and Policy Institute; Analytica; Eurothink – Center for European Strategies; Center for Civil Communications and Center for Research and Policy Making.

The Ministry of Finance's letter to civil society organizations for nomination of representative underlined that "having in mind the importance of the process for public consultations with broad involvement of all stakeholders in implementation and monitoring of reforms, participation of civil society organizations in the sector working group would be very useful in the process for implementation of the public finance management reform". According to information from the Ministry of Finance, selection of civil society organizations that were invited to join the working group in the capacity of observers had been made in cooperation with the Minister's Cabinet and based on policy areas and scope of work covered by civil society organizations, as well as their expressed interest for participation.

The last decision taken by the Minister of Finance from 2.9.2019 does not enlist these observers by name and surname, but only refers that observers are representatives from named organizations.

According to previous practices, civil society representatives regularly attend meetings of the working group and join discussions with comments, remarks and proposals, while some of them send additional proposals after the meetings. Hence, civil society organizations are informed about time and date for scheduled meetings and they



regularly and timely receive all necessary materials, together with other working group members and observers from the donor community.

Comments, remarks and proposals by civil society organizations made in relation to operation and participation in this sector working group mainly concern several segments, as follows: technical aspects in operation of this working group (for example, work language, separation of plenary sessions from policy dialogue meetings, etc.); remarks about evaluation of particular activities and attainment of particular objectives and priorities from action plans, and proposals to change certain progress and performance indicators, mainly due to inadequacy or insufficient precision of existing indicators, etc. As regards the sector working group's reaction to suggestions and proposals from civil society organizations, it could be said they are accepted, but are not implemented in action plans, mainly due to the working group's inflexibility to changes in the programme and annual action plans.

Also, it should be noted that contacts and cooperation among member-institutions in the sector working group and represented civil society organizations are used to organize other meetings and consultations beyond the regular domain of this sector group and concern topics and issues in the policy area of public finances, for example the Public Internal Financial Control Policy Paper (and Action Plan 2019 - 2021),⁶⁹ etc.

Capacity of civil society organizations to participate in the sector working group on public finance management

As indicated above, seven (7) civil society organizations participate in work of this sector working group in the capacity of observers and their main domain of operation is related to policy areas covered by the Public Finance Management Reform Programme.

In addition to the fact that their general area of operation is focused on economy, finances or EU integration, these civil society organizations have narrow focus of operation and through their participating in work of this sector group they provide general, but also specific contributions to these narrowly-defined sectors. Compared to the number of members from institutions and having in mind the depth and scope of work of this sector group, it could be assessed that the number of represented

⁶⁹ Public Internal Financial Control Policy Paper (and Action Plan 2019 - 2021), available at: <https://finance.gov.mk/mk/node/7880>

civil society organizations is low and insufficient, while their status is inadequate. Previous track record of this working group shows that membership of civil society organizations, for the time being, is at the level of information on the course of programme implementation and future activities and projects planned in that regard, without any significant two-directional activity.

As regards the capacity of involved organizations, it seems they are high and adequate (within relevant focus areas of operation). However, the status of observers assigned to civil society organizations, as well as the working group's inflexibility to changes, additions and improvements to the programme and especially to action plans for its implementation, all contribute to declined enthusiasm and engagement on the part of civil society organizations. Although they are not directly related to work of this sector group, almost all involved civil society organizations develop analyses, research papers and documents, organize public debates and consultations, and inform the public on issues and policy areas related to work of this sector working group. Also, most of them are involved in relevant civil society networks and take joint actions with organizations profiled in similar topics, which further strengthen the impact of their advocacy efforts.

Effects from work of the sector working group on public finance management

Having in mind that the key document for operation of this sector working group is the Public Finance Management Reform Programme 2018-2021, effects of its work are related to changes effectuated by implementation of this sector policy. In particular, the programme defines seven priorities with separate objectives, outcomes and indicators. Each priority is covered by one or more measures, and each measure is comprised of several activities.

A stimulating factor for greater effects by the sector working group is the fact that it develops annual action plans for implementation of the key document, i.e. the programme, and semi-annual and annual reports on their implementation.

Involvement of all representatives from institutions responsible for the programme's implementation, i.e. presence of high level officials from these institution, the fact that most activities, objectives and indicators are related to projects financed by donors, and presence

of lead civil society organizations at meetings of this sector working group all contribute to greater effects from its work.



On the other hand, the close connection between work of the sector group and implementation of the Public Finance Management Reform Programme limits the effects of its work only to programme implementation without taking into account the “bigger picture” of achievements in the sector on public finances. Additionally, the working group’s low flexibility towards changes to the programme and its action plans in order to set more realistic, higher and comprehensive performance indicators further prevents any greater achievements and effects.

The Public Finance Management Reform Programme and joint organization of plenary sessions and policy dialogue with the EU and other donors impose the need for continuous monitoring of foreign aid implementation and coordination. However, interrelation and dependence of many activities under the programme (and relevant measures and priorities) from donor assistance, including the dynamics for contracting, signing and implementing such projects, could be a limiting factor for timely implementation of the programme and for delivery of effects from work of the sector working group, in spite of the fact that the programme anticipates the government’s obligation to secure funding for activities that will not be financed by external sources and donors.

Recommendations for the sector working group on public finance management

Based on the above elaborated and aimed to improve work and effects of the sector working group on public finance management, as well as to ensure greater and purposeful involvement of civil society organizations in its operation, this sector group is recommended to consider the following proposals:

- To draft and adopt the rules of procedure for the sector working group, in order to formally regulate its work and operation;
- To increase the number of represented civil society organizations with those that express interest for participation and contribution to work of this sector

- group, according to interests shared during sector consultations held on 20.11.2019, which will improve the civil society expertise and participation;
- To promote the current status of observers for civil society organizations in the sector working group to equitable members with representatives from institutions;
 - To open broad discussion at meetings of the sector working group around other issues in the policy area of public finances, not only those related to implementation of the Public Finance Management Reform Programme;
 - To facilitate discussion and dialogue at meetings of the sector working group instead of the previous practices according to which meetings are reduced to giving account by working group members and responding to questions and remarks raised by observers;
 - To consider the possibility for organization of additional consultations of the sector working group and/or separate member-institutions with represented or broader civil society organizations on particular issues of mutual interest, through the civil society platform “Dialogue to EU”.



SECTOR WORKING GROUP ON RULE OF LAW AND FUNDAMENTAL RIGHTS

The sector working group on rule of law and fundamental rights is comprised of two working groups, those being: justice (under competences of the Ministry of Justice) and home affairs (under competences of the Ministry of Interior).

3. SECTOR WORKING GROUP ON JUSTICE

Efforts for reform and advancement in the sector *justice* started in 2017 with adoption of the Strategy on Justice System Reform 2017-2022⁷⁰ and the Action Plan on Strategy Implementation. The first report on implementation of the Strategy on Justice System Reform was adopted in 2019.⁷¹ This report provides performance track-record and achievements in justice system reform, as anticipated under the strategy's action plan, and focuses on legislative solutions adopted thus far, increased efficiency of the courts and overall improvements within the judiciary system. The second report on strategy implementation should be adopted in the course of 2020. The civil society participates in monitoring the strategy's implementation through the Council for Monitoring Implementation of the Strategy on Justice System Reform 2017–2022, as advisory body within the Ministry of Justice, and is represented in working groups tasked with drafting legislation in the area of judiciary.⁷²

⁷⁰ STRATEGY ON JUSTICE SYSTEM REFORM 2017 - 2022 AND ACTION PLAN, available at: <https://www.pravda.gov.mk/toc1/94>

⁷¹ ANNUAL REPORT ON IMPLEMENTATION OF THE STRATEGY ON JUSTICE SYSTEM REFORM 2017-2022, available at: <https://www.pravda.gov.mk/toc1/1790>

⁷² QUALITY ANALYSIS OF REFORMS RELATED TO SELECTION, PROMOTION TO HIGHER-INSTANCE COURTS AND DISMISSAL OF JUDGES, Coalition "All for Fair Trials" - Skopje, Skopje 2020



The Law on Courts is among systemic laws that were changed with a view to promote work and performance in this sector. The Venice Commission positively assessed amendments proposed to this law, which include redefinition of criteria for career advancement of judges by amending the Law on Courts, with due consideration of the length of judicial and prosecutorial service, performance appraisal and complexity of cases in which they reside.⁷³

The Law on the Judicial Council⁷⁴ was also changed in 2019 and received positive assessment by the Venice Commission. According to the law amendments, members of the Judicial Council are selected from the ranks of the most experienced judges and the legal text includes definition of “distinguished law professional”.⁷⁵ Furthermore, changes to this law are focused on advancing the Judicial Council’s transparency and accountability, which are additionally enhanced with the adoption of the Judicial Council’s new communication strategy.

As regards the judiciary, long-standing debates in the course of 2019 and 2020 featured the debate on adoption of the Law on Public Prosecution Office,⁷⁶ which was officially adopted by the Parliament of the Republic of North Macedonia on 16 February 2020. The civil society, through the Blueprint Group for Justice System Reform, submitted its comments for the Proposed Law on Public Prosecution Office, which were deemed acceptable by the Ministry of Justice and were integrated in the legal text.⁷⁷

More important changes effectuated in 2019 also include adoption of the Law on Free Legal Aid.⁷⁸ This law stipulates general rules for provision of free legal aid, types and scope of free legal aid, legal aid providers and beneficiaries, their respective obligations and responsibilities, the procedure for exercise of the right to free legal aid, financing, reward and reimbursement of costs for free legal aid provided, provision of free legal aid in cross-border disputes, transparency and accountability in provision of free legal aid, separate procedures for legal aid, supervision over law enforcement and other issues related to free legal aid. The

⁷³ Shadow Report on Chapter 23 for the period June 2019 – March 2020, European Policy Institute, available at: https://epi.org.mk/wp-content/uploads/2020/05/lzvestaj_vo_senka_2020.pdf

⁷⁴ Law on the Judicial Council of the Republic of North Macedonia, “Official Gazette of RNM” no. 102/2019

⁷⁵ Article 11 of the Law on the Judicial Council of the Republic of North Macedonia, “Official Gazette of RNM” no. 102/2019

⁷⁶ Law on Public Prosecution Office, “Official Gazette of RNM” no. 42/2020

⁷⁷ The Blueprint Group submitted specific solutions to the Proposed Law on Public Prosecution Office, available at: <https://all4fairtrials.org.mk/?p=2371&lang=mk>

⁷⁸ Law on Free Legal Aid, “Official Gazette of RNM” no. 101/2019

purpose of this law is to guarantee and promote the right to access to justice and fair court protection for natural persons. The right to free legal aid is exercised in the scope and under the procedure regulated by this law.

The new Law on Free Access to Public Information⁷⁹ is another important step towards greater transparency of institutions that are part of the “three branches of government” in the country. This law aims to ensure faster access to public information for entities that request such information, as well as greater transparency and accountability on the part of state authorities and other bodies and organizations defined by the law, bodies within municipalities, the City of Skopje and municipalities in the City of Skopje, political parties, institutions and public services, public enterprises, as well as legal and natural entities with public authorizations.

Legal texts that are of special importance for the sector-wide approach in the area of *justice* and were adopted in 2019 are: Law on Administrative Disputes, Proposed Law on the Academy of Judges and Public Prosecutors, Proposed Law on Private International Law, Proposed Law on Criminal Proceedings, Proposed Law on Payment of Monetary Reimbursement to Victims of Violent Crimes, and underway is development of new Law on Justice for Children. During the drafting process for some of above-named laws, the Ministry of Justice formed inclusive working groups with participation of civil society representatives, for example the Proposed Law on the Academy of Judges and Public Prosecutors, new Law on Justice for Children, etc.⁸⁰

As regards strategic planning, in 2019 the Ministry of Justice adopted the Strategy on Information and Communication Technology in the Justice Sector 2019 - 2024.⁸¹ Competences related to continuous monitoring of the strategy’s implementation are entrusted to the Council on Information and Communication Technologies, whose formation is anticipated with the amendments to the Law on Courts.

In regard to competences in the area of *anticorruption*, 2019 marked the start of work for selection of the new composition of the State Commission for Prevention of Corruption (SCPC). As part of its regular operation and related to sector-wide approach and strategic planning,

⁷⁹ Law on Free Access to Public Information, “Official Gazette of RNM” no. 101/2019

⁸⁰ QUALITY ANALYSIS OF REFORMS RELATED TO SELECTION, PROMOTION TO HIGHER-INSTANCE COURTS AND DISMISSAL OF JUDGES, Coalition “All for Fair Trial” – Skopje, Skopje 2020

⁸¹ STRATEGY ON INFORMATION AND COMMUNICATION TECHNOLOGY IN THE JUSTICE SYSTEM 2019 – 2024, Ministry of Justice, available at: <https://www.pravda.gov.mk/toc1/1778>



SCPC drafted the National Strategy on Prevention of Corruption and Conflict of Interests and Action Plan 2020 - 2024.⁸² The national strategy is still not adopted by the Parliament of the Republic of North Macedonia due to its dissolution.

In regard to *antidiscrimination*, special attention was caused by adoption of the Law on Prevention and Protection against Discrimination.⁸³ This law was first adopted by the Parliament in March 2019, but the Decree on Law Proclamation was not signed by the President of the Republic of North Macedonia. In May 2019, the law was again passed by the Parliament of the Republic of North Macedonia and was declared in effect. In June 2019, the Constitutional Court initiated procedure to review constitutionality of the Law on Prevention and Protection against Discrimination due to the number of MP votes casted during its second enactment (55 votes). The procedure was motioned by the Commission for Protection against Discrimination on the grounds that the new law had been adopted contrary to Article 75 of the Constitution.

In the area of *antidiscrimination*, particular concerns are raised by the fact that there is no functional body in place to protect the citizens' interests. More specifically, the Commission for Prevention and Protection against Discrimination is not functional since August 2019. In December 2019, the Parliament annulled the first open call for selection of members to the Commission for Prevention and Protection against Discrimination and decided to announce a second open call. A high number of civil society organizations appealed to the Parliament of the Republic of Macedonia concerning problems related to dysfunctionality of this body.⁸⁴

In 2019, the Ministry of Justice worked on plans to advance sector policies, notably by drafting its 2020 action program. Objectives defined under the 2020 program concern strengthened rule of law in the Republic of North Macedonia by enhancing the justice and home affairs systems and respect for human rights. This is expected to result in improved independence, accountability, as well as quality and effectiveness of the judiciary, increased efficiency of investigations,

⁸² National Strategy on Prevention of Corruption and Conflict of Interests and Action Plan 2020 - 2024, available at: <https://www.dskk.mk/index.php?id=118>

⁸³ Law on Prevention and Protection against Discrimination, "Official Gazette of RNM" no. 101/2019

⁸⁴ Press conference and protest held outside the Parliament of the Republic of North Macedonia, Foundation Open Society – Macedonia, available at: <https://fosm.mk/event/pres-konferencija-i-protest-pred-sobranieto-na-republika-severna-makedonija/>

improved track-record on prevention of corruption, and more effective prevention of radicalization. In parallel, efforts will be focused on strengthening capacity of key institutions for human rights protection, as well as integration of human rights in key policies through the justice and home affairs systems. Investments in the public service broadcaster and self-organization of the media are expected to strengthen the freedom of expression in the country.

In 2019, work in the sector *justice* was focused on development of the Performance Assessment Framework Indicators (so-called PAF indicators) which, in the next years, will measure success and performance in this sector related to advancement of sector policies.⁸⁵

In 2019, three (3) functional analyses were drafted under the project “Increased Effectiveness in Delivering Justice through Improving the Performance of Judicial Institutions”, implemented by the Center for Legal Research and Analysis (CLRA) and PwC Macedonia, and financed by the Good Governance Funds of the United Kingdom’s Government, as follows:

- ◆ Functional Analysis of the System of Public Prosecutors in the Republic of North Macedonia;
- ◆ Functional Analysis of the Supreme Court of the Republic of North Macedonia;
- ◆ Functional Analysis of the Courts of Appeal in the Republic of North Macedonia.
- ◆ Hence, the capacity of judicial services was enhanced in 2019 with recruitment of 152 employees.

In addition to human resources, further support for the strategy’s implementation was provided under IPA 2015 EUIF project “Support to the Justice Sector Reform Process”. By the end of 2019, the human resources strategy for the judicial network and the human resources strategy for the prosecutorial network were developed with expert assistance.

⁸⁵ Annual Report on Implementation of the Assistance under IPA, National IPA Coordinator Office in coordination with NAO, management structure, CFCD and contribution from IPA Coordinators from the Ministry of Justice, Ministry of Interior, Ministry of Transport and Communication, Ministry of Environment and Physical Planning, Ministry of Local Self-Government, Cabinet of the Deputy Prime Minister for Economic Affairs, Ministry of Agriculture, Forestry and Water Economy, Ministry of Education and Science, Ministry of Labour and Social Policy, Ministry of Information Society and Administration and Ministry of Finance, February 2020, available at: <http://www.sep.gov.mk/data/file/Dokumenti/IPA-AR-2019.pdf>



In 2019, comprehensive changes were made in all fields covered by the sector *justice*. This approach leaves space for concerns to be raised in terms of continuity of their implementation, in order to advance this sector approach. Having in mind the major changes made to advance the sector-wide approach in the Republic of North Macedonia (adopting and amending laws, adopting and monitoring strategic and planning documents), in the next reporting period, the sector working group on justice should focus on monitoring implementation of these documents. The monitoring process should take place at several levels, i.e. separately for all legislative texts and strategic and planning documents, and at higher comprehensive level of the sector-wide approach through annual planning documents and PAF indicators.

In order to adequately monitor implementation of all documents that are of interest for this sector working group, meetings need to be organized and information and documents need to be shared with all sector group members. Special importance is assigned to sharing methodologies defined for monitoring performance of sector working groups for all stakeholders to be informed about the monitoring process and the performance track-record of anticipated activities.

Sector working group on Justice



The sector working group on justice was formed in 2015, with own rules of procedures and decision on sector group membership. Members of the sector group include representatives from state institutions, judicial authorities, donor community and the civil society. A total of eight (8) civil society representatives participate in work of this sector group, with the status of members. When organizing plenary session, the sector group's coordinator invites a broader range of civil society organizations from those elected as members, to ensure more comprehensive civil society participation. In 2019, this sector working group held one plenary session on 20.6.2019.

The sector working group on justice covers the sector of justice under the broader policy area on rule of law and fundamental rights. This sector is managed by the Ministry of Justice, with the line minister serving as the sector group coordinator, while co-chair duties are assigned to representative from the EU Delegation in the Republic of North Macedonia.

This sector working group is among pioneers in establishment of the sector-wide approach in the country. It was founded as a result of the sector-wide approach defined under the Indicative Strategy Paper for EU Financial Assistance to the Republic of North Macedonia in the period 2014-2020.⁸⁶ Actually, this sector group started its work several years before adoption of the decision on the 65th session of the Government of the Republic of North Macedonia for establishment of the sector-wide approach and formation of sector working groups in 2015.⁸⁷

In the course of its operation as sector working group on rule of law and fundamental rights it was found that this sector is characterized by voluminous scope of work, both in terms of policy areas covered and in terms of stakeholders and members. Therefore, due to the large scope of work and with a view to dedicate adequate attention to all sectors covered, the sector working group was divided into two new sector working groups with separate competences and scope of policy areas.

The sector working group on justice holds competences in three sectors, as follows:

Anticorruption, which includes the following policy areas:

- | transparency and accountability mechanisms in the public and private sectors, as well as political parties;
- | enhancing checks-and-balances in the justice system and law enforcement agencies;
- | better cooperation among different bodies involved in fight against and prevention of corruption;
- | involvement of the civil society and citizens in implementation of the anticorruption policy; and
- | improving capacity for policy development, monitoring and evaluation at relevant state and non-state institutions.

⁸⁶ INDICATIVE STRATEGY PAPER FOR THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA (2014-2020), European Commission

⁸⁷ Decision taken on the 65th session of the Government of RNM held on 31.3.2015



Judiciary, which includes the following policy areas:

- reforms to ensure the judiciary's independence, quality and efficiency and adequate implementation thereof;
- merit-based appointments and career advancement;
- judicial reforms for independence of judges, the Judicial Council and the Council of Public Prosecutors, which ensure protection for judges and prosecutors against unwarranted internal and external pressures;
- improved consistency of verdicts and case law; and
- functional administrative justice, improved transparency and access to justice for citizens.

Human rights and freedoms, which includes the following policy areas:

- independence, professionalism and effectiveness of institutions responsible for protection of fundamental rights and freedoms;
- protection against discrimination, guaranteed freedom of expression and protection of procedural rights for persons detained and accused;
- protection of deprived groups, including persons with disabilities, women, children, Roma, LGBTI and other minorities; and
- enhanced services for vulnerable community groups, especially in regard to social inclusion, health and economic wellbeing.

Functionality and civil society participation in the sector working group on justice

The sector working group on justice was formed in 2015, with own rules of procedure and decision on members in the sector group. The rules of procedure and decision were adopted by the Minister of Justice as official and basic documents which the sector working group must respect and enforce in its operation.

Having in mind the broad scope of policy areas, this sector working group has members from all institutions that work, directly or indirectly, in above-enlisted policy areas. Hence, the working group includes members from state institutions, judicial authorities, donor community and the civil society. According to the adopted decision, the total number of working group members is 58, while the civil society is represented with eight (8) members.

The civil society organizations that participate in work of this sector group are: Foundation Open Society – Macedonia; Eurothink – Center for European Strategies; Macedonian Young Lawyers Association; Institute for Human Rights; Association for Development Initiatives - ZENITH; European Policy Institute – EPI; Coalition “All for Fair Trials”; and Association for Democratic Initiatives.

According to the EU legal acts that define civil society participation in the sector-wide approach,⁸⁸ from its establishment the sector working group on justice includes civil society organizations in its work as underlying principle for establishment of the sector-wide approach. Involvement of civil society representatives was ensured through the Secretariat for European Affairs, notably by announcement of the open call (“Open with the Civil Society”) for registration of all organizations interested in consultations and participation in sector working groups. Based on expressed interest and relevant area of operation among interested civil society organizations, the Secretariat for European Affairs presented the Ministry of Justice with the list of organizations that applied.⁸⁹ There is open possibility for this list to be complemented by the Ministry of Justice based on their previous experiences, whereby the ministry addressed relevant civil society networks (IPA II Mechanism)⁹⁰ in areas covered by the sector working group on justice, with a view to nominate their representatives at plenary sessions held by this sector group.

In addition to civil society representatives and for the purpose of ensuring better dialogue and coordination of the justice system reform, the sector group coordinator invites a broader scope of civil

⁸⁸ REGULATION (EU) No 231/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an Instrument for Pre-Accession Assistance (IPA II),
REGULATION (EU) No 447/2014 of 2 May 2014
REGULATION (EU) 2015/478 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2015

⁸⁹ Secretariat for European Affairs, Communication no. 11-57/36 to the Ministry of Justice from 2.3.2016

⁹⁰ More information on IPA II Mechanism is available at: <http://www.ipa2cso.mk/za-ipa-mehanizmot/>



society organizations to attend plenary sessions. This approach allows organizations that are interested in particular topics, sectors or policy areas to attend meetings of the sector working group without being appointed as its members. This was confirmed with recommendations from institutions made during the interviews, i.e. they indicated to the fact that the open attitude to civil society organizations allows better quality, comprehensive and focused work. This approach is also in line with the rules of procedure for this sector working group, but it is not formal and basic method for civil society organizations to be involved in work of this sector group. Participation of other civil society organizations is not regulated at membership level, and therefore attendees at plenary sessions do not have equal rights and obligations. This indicates to the need for the rules of procedure or the decision to be changed with a view to amend the list of civil society members, which will ensure operationalization of the rules of procedures in practice.

The rules of procedure serve as basic document for work and operation of the sector working group on justice. This document contains rules on setting the sector group's scope and coverage, procedural rules on operation and leading group work, membership and their tasks and obligations, as well as other rules that guarantee unhindered performance and implementation of competences entrusted to this sector working group. The rules of procedure ensure equality, involvement and adequate representation of all members in work and operation of the sector working group. Basic documents enlisted in the rules of procedure include an annual work plan. The annual work plan for the sector working group on justice should be a separate document developed with participation of all members and adopted at the first work meeting in the beginning of the calendar year. The same is defined in compliance with the Indicative Calendar for IPA II Programming. Such annual plan will ensure continuity of activities and documents, participation of all members in the process for planning and programming, and predictability of work performed by the sector group. Nevertheless, this sector working group has not developed such annual plan. Based on the methodology tools applied for this monitoring, organization, programming and dynamics of activities and documents greatly depend on very unpredictable factors and it is almost impossible for such work plans to be in place. Having in mind the advantage of such annual plans for the sector working group, adoption of such document should be reconsidered in the future within possibilities and availability of information at the time of its adoption. In that regard and having in mind the fact that the rules of procedures are not fully applicable in work of sector working groups,

due consideration should be made for these rules to be adjusted to the needs and current organizational setup of sector working groups. This is necessary also in the light of the fact that the sector-wide approach will have to be coordinated with the start of accession negotiations between the Republic of North Macedonia and the EU, having in mind that the most voluminous negotiation chapters pertain to this sector.

Representatives from institutions, judicial authorities, donor community and the civil society function and communicate through separate mailing list, which is administered by representatives from the Ministry of Justice. Invitations to plenary sessions are mandatorily sent to all members, with sufficient time for them to reconsider the proposed agenda and documents to be discussed at the meeting. After each meeting, minutes are compiled on work, analyses and discussions among sector group members and after their completion and approval by the chair, they are distributed to all members and attendees at the meeting.

Transparency and openness in terms of information produced and adopted by sector working groups are very important, having in mind the need to inform all actors in the society that are not members or have not attended meetings of the sector working group. However, the Ministry of Justice's official website does not contain information on this sector working group. Basic information about plenary sessions could be found on the *Facebook* profile of the competent minister, i.e. ministry, but relevant notifications, basic documents and decisions are not uploaded on the Ministry of Justice's official website as the primary internet channel for communication with citizens.

This sector working group held a major plenary session on 7th May 2018, as forum group with highest representatives from institutions, donors and the civil society. All civil society organizations, irrespective of their area of operation, were invited to this first plenary session in order to inform the broad civil society about formation and work of this sector group. All key and most important documents pertaining to work of this sector working group were presented at the meeting in order to inform all members and attendees about its scope of work and policy areas. The Strategy on Justice System Reform 2017-2024⁹¹ is the basis document in this sector.

This sector working group holds operational and plenary sessions. The first are work meetings at which institutions coordinate and consult among them about particular processes and documents. In the last

⁹¹ Ministry of Justice, *Strategy on Justice System Reform 2017-2024*, available at: <https://www.pravda.gov.mk/resursi/12>



year, the sector working group on justice held around 20 operational meetings. The second are plenary sessions with participation of representatives from institutions, donors and the civil society, and could also invite other stakeholders to participate and contribute to quality of documents. The civil society needs to be involved also at work meetings, having in mind that civil society organizations have capacity to contribute to policy advancement in the early stage of the process for development and programming of documents.

In 2019, the sector working group on justice held two plenary sessions. At the first plenary session, held on 20th June 2019, discussions were focused on specific criteria to be fulfilled by the justice sector in terms of pre-accession and accession in the European Union. Additionally, the meeting included presentation of indicators under the Performance Assessment Framework that should measure progress of reforms in this sector. All civil society organizations that are members of the sector group were invited to attend this meeting.

Prior to the plenary session, on 23rd March 2019, the sector working group on justice held thematic meeting at which stakeholders defined indicators for the Performance Assessment Framework. These indicators for the justice sector reform will provide clear image about progress achieved by the country in implementation of the sector strategy, by defining objectives to be monitored, established according to available international unified sources and verification criteria.

The rules of procedure for this sector working group anticipate this type of meetings to be organized every three months, i.e. four meetings per year, i.e. one meeting per quarter. Based on this monitoring research, representatives from institutions believe this dynamics is frequent, having in mind the work of institutions and possibility for changes to strategy and planning documents. Hence, based on previously established practices, recommendations made by representatives from institutions are geared towards change of the rules of procedure in order to regulate one or two meetings on annual basis.

On the other hand and given the scope of policy areas covered, when developing separate strategy and planning documents the sector working group on justice organizes separate thematic meetings and invites civil society organizations, but also experts or external associates to government institutions, professional associations, etc., all of whom can make relevant contribution for successful development of such documents.

Capacity of civil society organizations in the sector working group on justice

The civil society organizations represented with own members in this sector working group are organizations whose relevant work covers, fully or partially, all policy areas falling under competences of the sector group. According to interviews conducted, representatives from civil society organizations have the ability, knowledge and skills in relevant areas of operation, which they use to discuss, exchange information and raise initiative, although “[they] increasingly rarely join discussions with remarks at plenary sessions for this sector”. Knowledge and participation of civil society organizations in this sector working group are assessed with a high score of 4.50. This score was obtained from civil society organizations that completed the survey questionnaire designed as part of the methodology for this report.

Based on answers obtained to the survey questionnaire and their involvement in the sector working group, civil society organizations organize consultations in the form of public forums, debates and round tables, in order to collect opinions and information from other stakeholders, but only in regard to their work and their activities. Actually, civil society representatives in the sector working group do not collect views and opinions from end users or other civil society organizations that are directly related to their participation in the sector working group or to documents presented at plenary sessions. In that regard, civil society organizations produce analyses, research papers and policy documents pertaining to their programs and project activities, but they are not directly intended to be exclusively used in work of this sector working group.

According to answers obtained to the survey questionnaire, high number of civil society organizations is grouped into networks (local, national, regional and international) for the purpose of joint and coordinated representation of their views before the public and institutions. At this moment, participation of some civil society representatives that are also members of civil society networks allows them to share views and information related to work of this sector group with the others. Actually, these networks allow civil society representatives to present views of more organizations at plenary sessions. As regards representatives from civil society organizations in this sector working group (but also in other sector groups), the question is raised whether



they represent only their organization or all civil society organizations in this policy area. Inevitably, this question brings to the surface the issue about the method and model for selection of civil society representatives, which is elaborated in detail in the report section titled *“Enhancing civil society participation and the need to revise the model for selection of civil society representatives in sector working groups”*.

Effects from work of the sector working group on justice

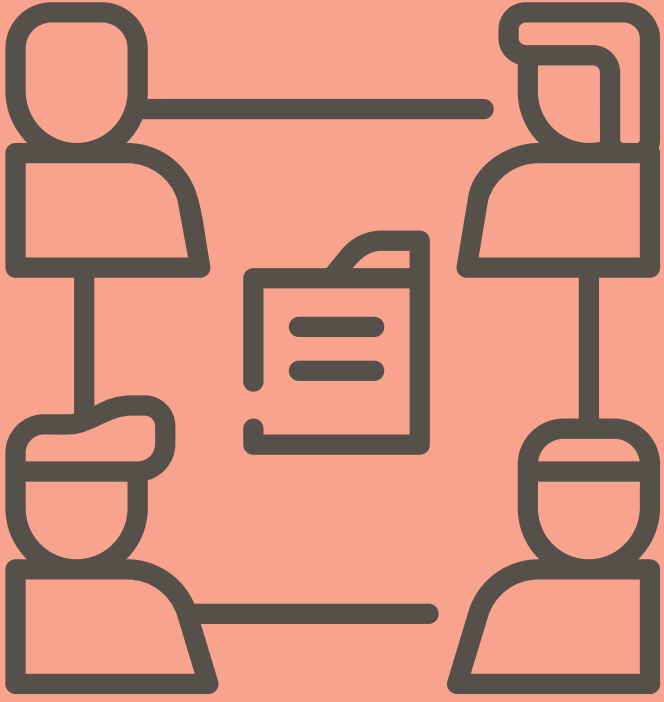
In the past period, the sector working group on justice worked on development of the Performance Assessment Framework and indicators that should be used to measure progress in implementation of activities and reforms in the justice sector. With adoption of these indicators, i.e. the multiannual document, the sector will have to continuously measure progress in its work. Effects and attainment of tasks will have to be shared with all members of the sector working group. In the forthcoming period, it is particularly important to program and plan the sector approach and its impact on working groups for accession negotiations. Due consideration should be made of the fact that this sector, according to its scope of policy areas, includes chapters that require great commitment and effective work for attainment of goals. The sector working groups and negotiations working groups will have to maintain continuous communication and cooperation in order to avoid overlaps and to ensure maximum use of shared resources by all stakeholders and members.

Coordination of foreign aid will be of great importance, having in mind that many reforms are financed with donor projects and therefore the sector working group will have to adequately manage the overall sector approach. Donor coordination is pursued at bilateral level, between the ministry and relevant donors. However, in addition to coordination of donor support and according to the rules of procedure, the sector group on justice should rely, correlate and coordinate with NPAA,⁹² and should ensure that proposals for formulation of sector policies and developmental programs made by all stakeholder groups or individuals and implementation of donor assistance are in compliance with the relevant EU integration policy of the Government of the Republic of North Macedonia, including gender equality policies in RNM and at the level of EU.

⁹² National Programme for Adoption of the EU Acquis, available at: <http://www.sep.gov.mk/content/?id=13>

Recommendations for the sector working group on justice

- To amend the rules of procedure for the sector working group on justice with a view to adjust them to the needs and the method of operation under the sector-wide approach. The rules of procedure need to be adequately applied in work of the sector group, and therefore they need to be adapted in regard to its method of operation. In that regard, changes are needed to the method for involvement of civil society organizations at operational and plenary level, and the method for planning and programming strategy documents and activities under the sector-wide approach.
- To increase transparency in operation of the sector working group on justice. Relevant news, documents, decisions and minutes from meetings held by the sector working group need to be uploaded on the Ministry of Justice's website as method for information dissemination to all stakeholders.
- To establish the sector group's work plan and dynamics. As formal mechanism for cooperation between the civil society and institutions, the sector working group should have annual work plan that will anticipate its work dynamics, documents and expectations from this sector group. The annual plan should include main objectives and activities that will be in the focus of the sector working group. This type of planning will allow all actors that are sector group members to be involved and informed in the early stages for planning and programming activities and documents.
- To build capacity of civil society organizations. In order to adequately understand the civil society role, but also to support and encourage participation of civil society organizations in sector working groups, efforts are needed to build capacity of these organizations about the objectives, scope and work of sector working groups. This activity is needed in the wake of the start of accession negotiations with the European Union, and the role of coordination under the sector-wide approach.



4. SECTOR WORKING GROUP ON HOME AFFAIRS

The 2020 action document on justice and home affairs was developed in 2018, and its specific goal is to strengthen the justice and home affairs systems and to enhance respect for human rights. This document is expected to result in improved independence, quality and effectiveness of the judicial system, improved efficiency of investigations, improved track-record on prevention of corruption, and more effective prevention of radicalization that could lead to violent extremism. In parallel, the document aims to strengthen capacity of key institutions for protection of human rights, and integration of human rights in key policies through the judicial and home affairs systems.

As regards strategic planning, the sector *home affairs* adopted action plans and strategies aimed at planning, reforming and advancing its work. Progress is achieved in monitoring two strategies that are part of this sector. These two strategies were developed and approved in 2018. They are: **National Strategy and Action Plan on Fight against Human Trafficking and Illegal Migration (2017 - 2020)**⁹³ and **National Strategy and Action Plan on Fight against Terrorism (2018 - 2022)**.⁹⁴ From operational point of view, however, it is important to note that although adopted, these important strategies are not implemented with adequate commitment.

The **Strategy on Police Development (2016 - 2020)**⁹⁵ was also adopted, and the same is subject of annual

⁹³ National Strategy and Action Plan on Fight against Human Trafficking and Illegal Migration (2017 - 2020), available at: <http://nacionalnakomisija.gov.mk/wp-content/uploads/2016/12/Nacionalna-strategija-i-akciski-plan-za-borba-protiv-trgovija-solugje.pdf>

⁹⁴ National Strategy and Action Plan on Fight against Terrorism (2018 - 2022), available at: https://vlada.mk/sites/default/files/dokumenti/bpt_nacionalna_strategija_2018.pdf

⁹⁵ Strategy on Police Development (2016-2020), available at: https://mvr.gov.mk/Upload/Editor_Upload/Strategija%20za%20razvoj%20na%20policijata%202016-2020.pdf



reports on implementation by responsible organizational units within the Ministry of Interior. In addition, the National Committee on Fight against Human Trafficking and Illegal Migration drafts annual reports on attainment of objectives defined under the National Strategy on Fight against Human Trafficking and Illegal Migration.

In 2019, two projects were implemented at Mol and were financed under IPA 2014, as part of the indirect management system. The project **Further Development of the Capacities for Crime Scene Investigation**⁹⁶ was implemented for large part of 2019 and was completed on 8 November 2019. Large number of documents was produced as a result of this project, including 12 new standard operational procedures for crime scene investigation teams. Also, strategy was developed for further capacity-building of crime scene teams that perform field investigations at regional and local level. A total of 15 training sessions were organized to ensure unhindered implementation of newly developed standard operational procedures. They resulted in training of 175 inspectors and forensic technicians from all home affairs sectors to conduct crime scene investigations.

In addition, the tender project **Supply of Equipment for Implementation of Business Continuity and Disaster Recovery System and Modernization of IT Infrastructure in the Mol HQ**⁹⁷ started on 28 January 2019. This project is still in its initial stage and concerns procurement of IT hardware, optic cables and licenses for all systems, including system design and training on two locations.

In addition to the competent ministry, work in the sector *home affairs* involves others institutions, such as the Ministry of Finance, Customs, Financial Police, Public Prosecution, Ministry of Health, Ministry of Labour and Social Policy, civil society members, and donors (EU, UNDP, UNHCR and IOM). The sector working group, which serves as platform for dialogue about policies and perspectives of shared interest for policy-makers and stakeholders, held two plenary sessions with attendance of donors, representatives from foreign embassies and the civil society. These meetings were chaired by the line minister. In addition to plenary sessions, three thematic meetings were also organized with stakeholder involvement. At the plenary session held in

⁹⁶ FURTHER DEVELOPMENT OF THE CAPACITIES FOR CRIME SCENE INVESTIGATION, available at: https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/the_former_yugoslav_republic_of_macedonia/ipa/2016/ipa_2014_037701_037706.5_the_former_yugoslav_republic_of_macedonia_country_action_programme_crime_scene_investigation.pdf

⁹⁷ Supply of Equipment for Implementation of Business Continuity and Disaster Recovery System and Modernization of the IT infrastructure in the Mol HQ, available at: <http://cfd.finance.gov.mk/tenders/publicTender/detailedTender/236>

September 2019, the expert engaged under the technical assistance project “Support for Management of EU Funds”,⁹⁸ with support from the Ministry of Interior, developed an analysis of existing strategies in the sector and presented proposed indicators. The goal was to strengthen operational framework and institutional capacity for strategy planning, programming and impact assessment of EU funds, in compliance with the IPA II Regulation.

Implementation of relevant roadmaps and attainment of full-fledged sector approach are identified as cross-cutting challenges in all sectors.

The Ministry of Interior should continue to reform the police and to strengthen efficiency and transparency of special investigation measures for organized crime, including financial investigations. More specifically, challenges related to organized crime concern improved track-record in investigating, prosecuting and closing cases related to organized crime and money laundering; and enhanced cooperation among different law enforcement agencies through the National Coordination Centre for Fight against Organized Crime and Fight against Human Trafficking and Migrant Smuggling.

Sector Working Group on Home Affairs



The sector working group on home affairs was formed in 2015. It operates pursuant to the rules of procedure and the work decision. The sector group is chaired by the Minister of Interior. Members of this sector group include representatives from institutions whose competences fall within the sector-wide approach in this area, donor community and the civil society. A total of four (4) civil society representatives participate in work of this sector group. In 2019, this sector working group held one plenary session on 23.9.2019.

The sector working group on home affairs represents an instigator of reform processes. It is coordinated by the Ministry of Interior and serves as forum for policy dialogue in this sector. Moreover, the working group evaluates progress in implementation of sector policies and adequate institutional capacity for implementation of the Strategy on Justice System Reform.

⁹⁸ Support for Management of EU funds, available at: <https://www.bseurope.com/project/support-management-eu-funds>



Functionality of the sector working group on home affairs

The sector working group on home affairs is a pioneer in establishment and definition of the method of operation for sector working groups. It was established in 2015 with the introduction of the sector-wide approach by the EU, together with its two subgroups: justice and home affairs.

The sector working group on home affairs is managed by the competent minister, i.e. deputy minister, who also serves as the sector group chair.

This sector working group organizes plenary sessions, meetings at technical/operational level, and thematic meetings. From its establishment in 2015 to present, the sector working group held a total of 11 plenary sessions. All sector group members were invited to these sessions, including representatives from institutions, donor community (International Organization for Migration – IOM, United Nations High Commissioner for Refugees – UNHCR, Council of Europe, and foreign embassies) and several civil society organizations. From the line of civil society actors, representatives in this sector working group come from following organizations: Foundation Open Society – Macedonia; European Policy Institute; Association for Development Initiatives – ZENITH; and Eurothink – Center for European Strategies.

Minutes are compiled for all meetings and are later distributed to all members, who are also allowed to make comments.

Civil society participation in the sector working group on home affairs

This monitoring segment evaluates how the sector working group allows civil society participation in its decision-making, i.e. how it develops dialogue and consults with civil society organizations on important matters. Based on responses obtained by using the Law on Free Access to Public Information, civil society participation in this sector working group is secured through the Secretariat for European Affairs. Hence, the Secretariat for European Affairs initiated this process with announcement of an open call (“Open with the Civil Society”) for registration of all organizations interested for consultations and participation in sector working groups. Based on applications received

and according to their area of operation, the Secretariat for European Affairs presented the Ministry of Interior with the list of organizations that applied for this policy area.⁹⁹ However, the Ministry of Interior has open possibility to expand this list according to their previous experience and established cooperation with civil society organizations or networks.

Moreover, involvement of civil society organizations in the subgroup on home affairs is more limited compared to the sector working group on justice. Main reason thereof is the limited number of civil society organizations with relevant expertise in this policy area. At the same time, Mol needs to better familiarize itself with work of civil society organizations that hold certain expertise and could make significant contribution to work of this sector working group. On that account, all previously organized meetings were of informative nature, whereby Mol informed civil society organizations about ongoing projects implemented by this ministry.

Capacity of civil society organizations in the sector working group on home affairs

This monitoring segment analyses and evaluates capacity of civil society organizations for participation and contribution to work of sector working groups. By means of their expertise, civil society organizations could contribute to development of quality policies and recognition of the needs of citizens and constituents they represent. They can contribute to improved quality of programme documents and could facilitate implementation of strategies and programs in relevant sectors.

Significant differences are noted in terms of preparedness of civil society organizations to join work of subgroups on justice and home affairs, respectively. For many years, the civil society in our country is active in the areas of rule of law, human rights and freedoms, fight against corruption, monitoring performance of the judiciary, etc. Hence, there is high level of preparedness among them to make meaningful contribution in the policy area of justice. On the other hand and having in mind that they are part of the same sector working group, the number of civil society organizations that cover issues pertaining to the area of home affairs was much lower in the past. Nevertheless, in the recent years there is increased interest among civil society organizations for

⁹⁹ Secretariat for European Affairs, Communication no. 11-57/36 to the Ministry of Interior from 2.3.2016



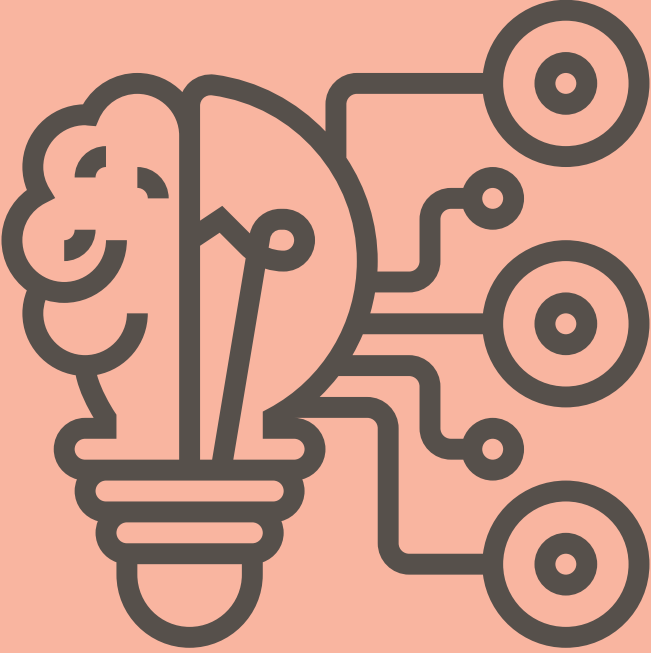
issues related to the police, management of migration, asylum and fight against organized crime and corruption. Namely, it could be concluded that capacity of civil society organizations is marked by upward trend and they are expected to make greater contribution in this policy area.

Recommendations for the sector working group on home affairs

Several recommendations aimed at enhancing and improving work of this sector group are inferred on the basis of monitoring its functionality. Some of them concern civil society participation in the sector group, while others are focused on its functionality, organization of activities and daily operations.

- Mol should update the list of civil society organizations that operate in the policy area on home affairs. SEA's database should be expanded and complemented with new organizations that are interested for participation in work of this sector group;
- Civil society organizations should be encouraged to register and get involved through the Civil Society Platform, while the institutions should be stimulated to use its database of organizations;
- Several standing representatives in the sector working group should be appointed from the ranks of civil society organizations, which will consult other actors in the civil society that are not directly involved in work of this sector group. That will ensure greater inclusion and participation in the process and will improve quality of proposed solutions;
- Information on project approved under IPA need to be shared with civil society organizations, in order to ensure broader knowledge on projects under implementation and relevant holders of such projects;
- Participation of civil society organizations should be endured, primarily at thematic meetings where they could contribute the most. At the same time, civil

- society organizations should organize themselves into smaller groups according to topics and areas where they can make relevant contributions;
- Regulation coordination should be pursued with donors;
- Exchange of information through the platforms needs to be encouraged;
- Civil society organizations should be involved in the early stages of planning agendas and topics for meetings of the sector working group;
- In addition to civil society organizations, the sector group should also include representatives from the academic community and experts from relevant fields, as well as professional associations and chambers;
- Cross-sector coordination should be encouraged in the policy area on justice and home affairs and civil society organizations from the justice sector should be stimulated to get better acquainted with work of the sector working group on home affairs.



5. SECTOR WORKING GROUP ON COMPETITIVENESS AND INNOVATION

Efforts in the sector *competitiveness and innovation* are geared towards attainment of objectives related to improving the economy's competitiveness, creating conditions for sustainable economic development and strengthening (legal and institutional) frameworks for doing business.

In that regard, activities that should be noted include legislative changes adopted in 2019, as well as the position of institutions that are relevant in the area of competition protection.

In November 2019, without having organized previous stakeholder consultations, the Government adopted the Proposed Law on Strategic Investments for Projects of Public Interest. The proposed law was not published in the Single National Electronic Register of Regulations (ENER), which prevented information dissemination and the public's involvement in development of this important legislative act. Criticism in the public did not prevent the Parliament of RNM to adopt this law on 16 January 2020¹⁰⁰ ("Official Gazette of RNM" no. 14/20). In particular, this law regulates criteria, conditions and procedure for application, establishment of the status of investment project, selection, development and implementation of investment projects of highest strategic priority for the state. However, this non-transparently adopted law stipulates that "implementation of this law, as well as the procedure for establishing the status of strategic investment project by all parties, shall be conducted in fair, transparent and non-discriminatory manner, with active participation of both, expert and broader public."

¹⁰⁰ <https://www.pravdiko.mk/wp-content/uploads/2020/03/Zakon-za-strateshki-investitsii-vo-Republika-Severna-Makedonija-20-01-2020.pdf>



As regards implementation of measures to support the economy that are grouped under three pillars, according to the Government's Plan for Economic Growth (support for investments, support for competitiveness, and support for innovation and micro and small enterprises), two rounds of amendments to the Law on Financial Support for Investments were adopted in 2019.

As regards institutional capacity-building in the sector *competitiveness and innovation*, no significant activities have been taken to improve independence, efficiency and effectiveness of the Commission for Protection of Competition, including any specific measures to increase transparency of state aid awarded by the Government. To present, the Government and its institutions relevant in this policy area have not manifested interest for greater involvement of the Commission for Protection of Competition, as independent body established by the Parliament of RNM, in processes for building the economy's competitiveness. In the long run, such approach could be unfavourable for the country and could further deepen existing problems on the market. The State Aid Register is still not established, but it should be noted that establishment of such public register is anticipated as anticorruption measure under the Proposed National Strategy for Prevention of Corruption and Conflict of Interests 2020 - 2024, drafted by the State Commission for Prevention of Corruption.

Sector Working Group on Competitiveness and Innovation



The sector working group on competitiveness and innovation was formed in 2015. This sector group is chaired by the Deputy Prime Minister Responsible for Economic Matters and Coordination with Economy Sectors. The sector group has standing and additional membership. Standing members of the sector working group on competitiveness and innovation include representatives from institutions whose competences overlap with the sector-wide approach, while additional members are representatives from institutions which, by means of their work, can contribute to the sector of competitiveness and innovation, donor community, international financing institutions and others. Associations and foundations are not members of the sector working group on

competitiveness and innovation. As regards civil society participation, this sector group has accepted the definition of “non-state actors”, which include civil society organizations, chambers of commerce, and the private sector. Among non-state actors, representatives from four (4) chambers of commerce participate in work of this sector group. In 2019, this sector working group held one plenary session with all members, on 15.10.2019.

Functionality of the sector working group on competitiveness and innovation

The sector working group on competitiveness and innovation was formed in 2015¹⁰¹ with the aim to ensure broad interdepartmental coordination for implementation of a series of strategies and programs relevant for this sector.

In compliance with the sector-wide planning document on competitiveness and innovation,¹⁰² the country should work on enhancing the legal, institutional and research environment for business activity, including implementation of the EU acquis on internal market. This overall goal is pursued under three objectives and four priority areas. The objectives are: to improve business environment, liquidity and access to finances for small- and medium-sized enterprises; to raise productivity of enterprises and improve quality of goods and services; and to support internationalization of domestic enterprises and improve their investment potentials. The priority areas are: development and implementation of relevant policies, strategies and legislation on small- and medium-sized enterprises; improved liquidity and access to finances for small- and medium-sized enterprises; securing modern infrastructure and services in support to businesses, as well as increasing investments by the enterprises.

Competitiveness and innovation belong to the area of socio-economic and regional development, and therefore work of this sector working

¹⁰¹ As was the case with other sector groups, the sector working group on competitiveness and innovation was founded in 2015 by means of decision taken at the 65th session of the Government of the Republic of North Macedonia.

¹⁰² Competitiveness Strategy and Action Plan of the Republic of Macedonia 2016 – 2020, available at: https://www.vicepremier-ekonomija.gov.mk/sites/default/files/pdf/07.Strategija_zakonkurentnost.pdf



group is closely linked to coordinating implementation of several strategies and programs in the sector on competitiveness and innovation, as follows:

- Industry Strategy of the Republic of North Macedonia 2018-2027;¹⁰³
- Competitiveness Strategy 2016-2020;¹⁰⁴
- Innovation Strategy 2012-2020;¹⁰⁵
- National Strategy on Small- and Medium-Sized Enterprises;¹⁰⁶
- Export Promotion Strategy;¹⁰⁷
- Entrepreneurial Learning Strategy;¹⁰⁸
- National Economic Reform Program;¹⁰⁹
- Program for Stimulating Investments in Macedonia;¹¹⁰ and
- Program on Scientific and Research Activity in the Republic of Macedonia.¹¹¹

The sector working group is comprised of standing and additional membership. Standing members in the sector working group on competitiveness and innovation are:

- Cabinet of the Deputy Prime Minister Responsible for Economic Affairs (who is also the sector group chair);

¹⁰³ Industry Strategy and Action Plan of the Republic of Macedonia 2018-2027, available at: <http://economy.gov.mk/Upload/Documents/Finalna%20Industriska%20Strategija.pdf>

¹⁰⁴ National Strategy on Competitiveness of the Macedonian Economy, available at: <https://www.vicpremier-ekonomija.gov.mk/?q=node/36>

¹⁰⁵ INNOVATION STRATEGY OF THE REPUBLIC OF MACEDONIA 2012-2020, available at: http://www.fitr.mk/wp-content/uploads/2015/02/Strategija-za-inovacii_final_oktomvri20121.pdf

¹⁰⁶ National Strategy on Small- and Medium-Sized Enterprises 2018-2023, available at: <http://economy.gov.mk/Upload/Documents/Strategija%20za%20MSP%20-%20finalna%20verzija%2003%2004%202018%20.pdf>

¹⁰⁷ Strategy for Promotion of Export, available at: <http://212.13.72.9/StrateskiDokumenti/Strategija%20za%20promocija%20na%20izvozot.pdf>

¹⁰⁸ Entrepreneurial Learning Strategy of the Republic of Macedonia 2014-2020, available at: https://www.na.org.mk/tl_files/docs/eplu/2018/eksperti/3/X1.%20Dzstrategija%20za%20pretpriemacko%20ucenje%20vo%20RM%202014-2020%20MK%20%202.12.2014.pdf

¹⁰⁹ Economic Reform Program 2020– 2022, available at: <https://www.finance.gov.mk/mk/node/7797>

¹¹⁰ Program for Stimulating Investments in the Republic of Macedonia (2011-2014)

¹¹¹ 2019 Program on Scientific and Research Activity, “Official Gazette of RM” no. 5/2019 from 11.01.2019

- Ministry of Economy (deputy chair);
- Ministry of Education and Science;
- Ministry of Finance;
- Ministry of Information Society and Administration;
- Secretariat for European Affairs;
- Administration for Technology and Industry Development Zones;
- Fund for Innovation and Technology Development;
- Agency for Promotion of Entrepreneurship;
- Agency for Foreign Investments and Promotion of Export (*Invest Macedonia*);
- State Statistical Office.

Nevertheless, the sector working group may also include other members and representatives, including from:

- Ministry of Labour and Social Policy;
- Customs Administration;
- National Office for Technology Transfer (to be established);
- donors/international financing institutions, etc.

In comparison to other sector groups, this sector working group is specific in the fact that it does not have members from associations and foundations. As regards the civil society participation, this sector working group has accepted the definition of “non-state actors” which include civil society organizations, chambers of commerce and the private sector. From the line of “non-state actors”, this sector group includes representatives from four chambers of commerce, as follows:

- Economic Chamber of RNM;
- Macedonian Chambers of Commerce;
- Economic Chamber of Northwest Macedonia, and
- Organization of Employers in Macedonia.

Involvement of business associations arises from their active participation in development of policies covered by this sector working



group, such as the Industry Strategy and the National Strategies on Competitiveness and Innovation. The chambers of commerce participate in work of the sector group with several representatives and their attendance depends on the meeting agenda. This shows that participation in the sector working group is defined at the level of institutions, not at the level of individuals. In that, the chambers nominate their representatives by selecting people that were previously involved in the working groups tasked with drafting relevant strategies or those that have previous experience and knowledge of EU policies. Representatives from the chambers of commerce believe they actively contribute to creation of strategy documents and plans, but do not recognize this sector working group as formal mechanism for that purpose. According to the methodology tools applied for this report, chamber representatives believe that plans and documents that regulate work of this sector working group are not shared with them, but only materials immediately related to meeting agenda items. At the same time, they do not believe that the sector working group regularly and timely shares and requests information from all members. This results in their limited impact and participation, having in mind the lack of information to all stakeholders and members about development and monitoring of documents.

The sector working group on competitiveness and innovation should hold quarterly meetings, but previous practices show organization of two to three meetings per year, while topics are mainly focused on definition of priority projects for more effective utilization of funds under the Instrument for Pre-Accession Assistance (IPA II) and by other donors (the World Bank, EBRD, etc.).

In 2019, the sector working group on competitiveness and innovation held just one plenary session with all members (15.10.2019). As was the case with other sector working groups, in 2019 this sector group also worked on development of the Performance Assessment Framework with indicators to monitor success under all planned and implemented reforms. They were shared with sector group members at the plenary session. In addition, this framework will be presented to the Government of the Republic of North Macedonia, which should take a joint decision on all performance assessment frameworks developed by sector working groups. Having in mind that this sector working group does not include members that represent the civil society, it could be concluded that civil society organizations have not made remarks to improve this document.

On the account of the scope of work covered by this sector working group, its operation relies on technical groups that are not strictly defined and are composed according to defined tasks and obligations at the level of sector group plenary sessions.

An indicator for low transparency in operation of this sector working group is the fact that websites of relevant institutions whose managers serves as chair and deputy chair in the working group (Cabinet of the Deputy Prime Minister Responsible for Economic Matters and the Ministry of Economy) do not host any relevant information and documents on work of this sector group. In particular, documents such as the rules of procedure, annual plans, annual work reports, and updated list with all sector group members are not publicly available.

Civil society participation in the sector working group on competitiveness and innovation

From its establishment to present, there were no initiatives raised for involvement of civil society organizations in this sector working group or for dissemination of information on its work. Representatives from the Cabinet of the Deputy Prime Minister Responsible for Economic Matters, as holders of the work process in this sector group, justified such decision with the fact that they had addressed the Central Register of RNM with request for list of non-governmental organizations and received a list with more than 4,000 registered organizations, but without relevant indications whether they are active or not. Moreover, they consider the Register of Non-Governmental Organizations created by the Government's Department for Cooperation with the Civil Society¹¹² to be non-useful, indicating that this sector working group does not need all non-governmental organizations, but only those that operate in the field of economy. This clearly shows that involvement of civil society organizations in work of this sector working group was not subject of their interest and that efforts have not been made to familiarize civil society representatives with work of this sector working group and their involvement in its work. Notably, no efforts have been made to announce an open call for civil society organizations to join this sector group and relevant mechanisms that could facilitate such involvement were not communicated, for example the Council for

¹¹² Register of Non-Governmental Organizations, created by the Government's Department for Cooperation with the Civil Society, available at: https://www.nvosorobotka.gov.mk/?q=tabelaren_prikaz



Cooperation with and Development of the Civil Society as the advisory body to the government on advancing cooperation and dialogue and on encouraging development of the civil society in the Republic of North Macedonia, following the example of civil society involvement in other sector working groups.

Nevertheless, information from the Cabinet of the Deputy Prime Minister Responsible for Economic Affairs, which coordinates this sector working group, indicate to future preparedness for involvement of civil society organizations in the work of this sector group. In that, they openly insist for civil society organizations to confirm their expertise and relevance of work and to limit the number of civil society organizations that will participate in plenary sessions and working groups. The main dilemma among government representatives is how to ensure involvement when high number of civil society organizations express interest for participation in technical groups or at plenary sessions. In that regard, due consideration should be made for adequate changes to the model for involvement of “non-state actors” in work of this sector working group.

Effects from work of the sector working group on competitiveness and innovation

Absence of civil society representatives in work of this sector working group, as well as absence of established practices for publication of annual work plans and annual work reports, prevents insight into operation of this working group and objective assessment of effects from its work. At the same time, information/documents requested from the Cabinet of the Deputy Prime Minister Responsible for Economic Affairs in compliance with the Law on Free Access to Public Information were not disclosed within the law-stipulated deadline.

According to the chambers of commerce, work of this sector working group could not be assigned high score because implementation of what has been agreed at meetings on the part of responsible institutions is slow and often there is no budget for that purpose. At the same time, they believe that due care is not made of quality and competences of members in technical working groups that are formed within the sector working group, as the focus is put on ensuring quorum for work.

Recommendations for the sector working group on competitiveness and innovation

- To increase transparency and accountability of the sector working group on competitiveness and innovation;
- To involve representatives from civil society organizations in work of this sector group under transparent process for selection of such representatives;
- Persons nominated in the sector group should continuously attend meetings and should be informed about all activities, and they should have their tasks for which they will be consulted; and
- To improve quality of employees from institutions that are members of the sector working group, with a view to ensure they are expert and professional staff members that can truly contribute to greater efficiency and quality of its work.



6. SECTOR WORKING GROUP ON AGRICULTURE AND RURAL DEVELOPMENT

The primary strategic priority of the national agriculture policy in the Republic of North Macedonia is increasing competitiveness of Macedonian agriculture produce and food industry, developing rural areas and sustainable management of natural resources. Specific priority areas related to increased competitiveness are:

1. to improve technology and market infrastructure in order to increase scope for products of added value, productivity, quality and security, and to attain EU standards;
2. to strengthen horizontal and vertical integration of economic entities in the agro-food sector and to develop contractual relations on the market into agricultural value chains that should ensure better exchange of information on the market and better production and sales planning, as well as to improve marketing of agriculture produce and promotion on the markets abroad;
3. to provide access to factors of production, agriculture land and its consolidation, access to capital and quality input products, and to improve human potential in the sector;
4. to improve rural infrastructure for sustainability of rural communities and economic activities in rural areas.

The Ministry of Agriculture, Forestry and Water Economy (MAFWE) was involved in development of the IPA Action Document financed under IPA 2015. Additionally, it developed the Operational Programme 2014 - 2020 together with the European Commission's Directorate General for Agriculture and Rural Development. This programme entered in effect in June 2017 and its implementation is underway.



MAFWE has also adopted the National Strategy on Agriculture and Rural Development for the period 2014 - 2020.¹¹³ In 2018, it drafted the IPA 2019 Action Document, while in 2019 the final version of this document was approved by the EU Delegation and the European Commission. Main features of the 2019 Action Document and of the National Strategy are:

1. Overall goal:

- | to improve sustainable development of rural areas;

2. Objectives:

- | to improve productivity of farms and sustainable use of forests;
- | to ensure food safety and to improve health of animals and plants;

3. Results:

- | modernized and optimized agriculture and forestry;
- | reduced health risks for people, animals and plants.

IPA-funded activities achieved relevant national reforms, strategic planning and budgeting. In particular, the impact of IPA activities on strategic planning in this sector is evident in EU's strong support to MAFWE for development of the IPA 2019 Action Document. In compliance with steps and objectives from the Roadmap on Strategy Criteria for 2018 and 2019, MAFWE drafted and approved relevant strategy documents and laws for this sector. They include the National Plan on Agriculture and Rural Development 2018 - 2022,¹¹⁴ the Strategy on Animal By-Products, the Strategy on Animal Wellbeing, the Strategy Framework on Phytosanitary Policy (ongoing), multiannual control plan, land consolidation, legal framework on agricultural cooperatives, revision of IPARD procedures, etc. All relevant strategies establish priorities in the sector *agriculture and rural development*, with clearly described objectives and defined measures.

As regards administrative capacity, with IPA support functional reviews were developed for MAFWE, the Agency for Financial Support to Agriculture and Rural Development and the Food and Veterinary Agency. One of the main critical aspects related to administrative capacity of all institutions is lack of employment retention policy for high-

¹¹³ National Strategy on Agriculture and Rural Development for the period 2014 - 2020, available at: <http://www.mzsv.gov.mk/CMS/Upload/docs/NSZRR2014-2020.pdf>

¹¹⁴ National Plan on Agriculture and Rural Development 2018 - 2022, available at: <http://www.ipardpa.gov.mk/>

performance staff. Responsibilities of MAFWE staff are delegated to people that are becoming overburdened and inefficient, while majority of staff members remain underutilized and somewhat demotivated.

Achievements in this sector include the land consolidation project that is implemented by FAO under the system of indirect management. However, the project is still not completed and expected outcomes are still not achieved. According to IPARD Operational Programme, whose financing agreement entered in effect in June 2017, there is sufficient progress to be reported at the level of the entire sector. IPARD Payment Agency approved 824 applications for payment in total amount of 10,005,809 euros, disbursed from EU funds.¹¹⁵

The sector working group in this area serves as dialogue platform for policies and perspectives of joint interest for agriculture policy-makers and relevant stakeholders in the sector *agriculture and rural development*. SWG's approach covers the need for adjusting the country's agriculture policy, based on relevant in-depth analyses on state-of-play, while taking into account adaptations necessary during the EU accession process. In addition to state actors and donor representatives, civil society organizations also participate in work of this sector group since 2018. The sector working group has organized three (3) plenary sessions. Donors, embassies and civil society organizations regularly attend these meetings. In particular, meetings of the sector working group are chaired by the Minister of Agriculture, Forestry and Water Economy. In addition to plenary sessions, the sector working group organized ten (10) thematic meetings with participation of all stakeholders.

The general goal in this sector is to ensure sustainable development of agricultural and food sectors and rural areas in compliance with the EU *acquis* and policies and to guarantee food safety. In that regard, main challenges in the sector are related to strengthening administrative capacity, including improvements to IT systems at administration and public authorities at all levels, aimed at implementation of agriculture reforms and policies and efficient absorption of IPA and IPARD funds. Also, efforts are needed to improve competitiveness of the agriculture sector, to improve safety of humans and health of animals, to improve the alignment process for the farm accountancy data network, and to intensify alignment of policies in area of joint market organization.

¹¹⁵ <http://www.sep.gov.mk/data/file/Dokumenti/IPA-AR-2019.pdf>, pg. 80



Sector Working Group on Agriculture and Rural Development



The sector working group on agriculture and rural development was formed in 2015 and its work is governed by the rules of procedures that stipulate its operation. The sector group is chaired by the Minister of Agriculture, Forestry and Water Economy. In addition to state actors and donor representatives, the civil society is also involved in work of this sector group since 2018. A total of three (3) civil society representatives participate in work of this sector group, with the status of members. Additionally, the rules of procedure allow experts or external associates from government institutions, academic institutions, civil society organizations and professional organizations to be engaged. In 2019, this sector working group held one plenary session on 24.9.2019.

The agriculture sector is of great importance for economic development in the country and quality of life for citizens, especially in the context of economic recovery. Positive short-term economic perspectives allow well-focused policies on sustainable and inclusive growth, in order to create development and to accelerate harmonization with EU standards. The National Strategy on Agriculture and Rural Development 2014-2020¹¹⁶ balances measures for job creation (through support for business and agriculture) with measures for improving employment and functionality of the labour market, which support structural reforms for economic growth.

The sector working group on agriculture and rural development was formed in 2015¹¹⁷ and falls under competences of the Ministry of Agriculture, Forestry and Water Economy and the Secretariat for European Affairs. In addition to state actors and donor representatives, from 2018 civil society organizations also participate in work of this sector working group.

¹¹⁶ National Strategy on Agriculture and Rural Development 2014-2020, available at: <http://www.mzsv.gov.mk/CMS/Upload/docs/NSZRR2014-2020.pdf>

¹¹⁷ The sector working group on agriculture and rural development was founded in 2015 with the decision taken at the 65th session of the Government of the Republic of North Macedonia, together with other sector working groups.

The policy areas assigned to this sector working group are:

- implementation and support to agriculture and rural development policies;
- food quality;
- organic agriculture;
- standards on food safety;
- standards on health and wellbeing of animals;
- rural infrastructure;
- small-scale irrigation infrastructure;
- agro-environmental renewal practices;
- preservation and promotion of eco-systems;
- agro-environmental and organic agriculture;
- forest protection; and
- local action groups and agriculture holdings.

In the last two years, the established sector working group has significantly improved sector coordination, allowing comprehensive overview on implementation of sector reforms and synergy effects from donor funding.¹¹⁸ The country's improved political perspectives, projected in the enhanced dialogue with NATO (North Macedonia became member-state in 2020) and the EU, increase confidence of investors and create positive economic context that should improve trade exchange with the EU. Insufficient harmonization with the EU internal market rules on goods and services will prevent this exchange and will slow down economic growth in the country. Therefore, this program improves alignment with the EU legislation on goods, services, food safety and in the agro-environment field.

Functionality of the sector working group on agriculture and rural development

This segment of the monitoring assesses functionality and operation of the sector working group on agriculture and rural development. The rules of procedure are the main document that governs operation of this sector group and include provisions that define representatives

¹¹⁸ https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/annexes/c_2019_8729_f1_annex_en_v1_p1_1055626.pdf, page 3



from ministries and state institutions, as well as representatives from other organizations, such as trade unions, professional associations and civil society organizations. All members participating in the sector working group assign great importance to efficient application of the rules of procedure. Having in mind its dynamics and scope of policy areas covered, the rules of procedure must include provisions that are applicable in practice. In addition to the rules of procedure, the sector working group should have separate annual plan of activities that will ensure predictability and regularity in implementation of activities, as well as adequate and equitable information dissemination to all members. Hence, the sector working group on agriculture and rural development has developed its work plan as separate document drafted with participation of all members and adopted at the first working meeting at the beginning of the calendar year. In developing and proposing activities, due consideration is made for this document to correspond to other strategy planning documents at the level of the ministry, at national and at EU level. Moreover, this document allows the sector working group to have an overview of activities in the current year, in order to inform all stakeholders and to maintain regular communication with all members.

The rules of procedure include guidelines on the method for convening sector group members, respecting deadlines for submission of documents and invitations, as well as rules on development, sharing and compliance with the meeting agenda. More specifically, the sector working group shares timely information to its members about scheduled plenary sessions. The group co-chairs maintain regular communication with other members, by sharing materials and information, collecting opinions and inputs from other members and reporting on work outcomes. Additional information for planning plenary sessions and their agenda are given in the annual work plan adopted by this sector working group.

According to the rules of procedure, minutes are taken at all meetings, under pre-defined format and contents, including provisions on the manner in which minutes are shared, commented and adopted by sector group members. According to the established format and contents, the minutes include all discussions led on particular issues raised at the meetings.

Having in mind that work of this sector group sometimes requires use of expertise, its work involves expert opinions from professionals or external associates. These experts come from governmental institutions, academia, civil society organizations, professional

associations and other parties whose opinions and views are necessary in work of this sector working group. The sector working group engages such experts for the purpose of developing strategy documents and plans.

Finally, the sector working group on agriculture and rural development operates transparently and cares for all members to have unhindered access to information produced by this group. According to the rules of procedure, strategy documents and programs that provide basis for its work are shared with all members in the process of establishing the sector group membership, and later throughout its work. The sector working group informs the public of its operation through the electronic media and publicly shares documents from its work, such as plans, reports, press releases, minutes and other documents.

Civil society participation in the sector working group on agriculture and rural development

This monitoring segment assesses how the sector working group allows civic participation in the decision-making process, how it develops dialogue and consults with the civil society on important issues.

The monitoring of this sector working group and analysis of available documents showed that civil society representatives that are members in the sector working group regularly and timely attend meetings, to which they are invited at least ten days in advance. Moreover, civil society representatives that are sector group members are given access to key documents and information produced by the sector working group. In addition, all strategy documents and programs that govern work of this sector group are shared during their development and later throughout the operation of the sector working group.

The civil society organizations represented in the sector working group on agriculture and rural development are: Macedonian Ecological Society; Association of Agricultural Economists; and Eurothink – Center for European Strategies.

Participation of the civil society is crucial for functionality of this sector working group. Notably, the sector working group regularly and timely shares and requests information from civil society representatives that are sector group members and it consults them on important issues. Sometimes, the sector working group also consults with civil society organizations that are not sector group members, but are holders of



important information and have great scope of constituents. However, it should be noted that civil society organizations that are members and those that are invited to plenary sessions have different status. Invitations for attendance do not replace membership that could be exercised by civil society organizations at the level of equitable members with other stakeholders and therefore due consideration should be made to expand membership in this sector group with representatives from civil society organizations.

Monitoring and analysis of documents showed there is continuous communication among all members of the sector working group in respect to implementation of planned activities and initiatives. Also, civil society representatives are given adequate time and platform to present their views and to contribute to productive discussions and analyses, as well as to raise key issues related to activities of the sector working group. At meetings, the sector group chair and members have positive attitude towards views of civil society organizations, and they are accepted and analysed.

Capacity of civil society organizations in the sector working group on agriculture and rural development

As analysed above, work and functionality of the sector working group and civil society participation in this sector group are satisfactory, but there are great possibilities to increase their participation.

The civil society representatives actively participate in work of this sector group. They have ability, knowledge and skills in the relevant policy area which they use to discuss, exchange information and raise initiatives. Based on answers to the survey questionnaire that was part of the methodology for this report, it could be concluded that despite existence of given number of representatives familiar with this thematic area, efforts are needed to increase the number of experts that will effectively use documents and legal acts to discuss, exchange information and raise initiatives within the sector working group. In that regard, expanding the number of civil society organizations represented as members in the sector working group could ensure better quality and more comprehensive civil society participation.

The capacity of civil society organizations is enhanced and is assessed as good, especially having in mind that certain number of civil society

representatives in the sector working group organize consultations (forums, debates and round tables) and informative sessions in order to obtain information from end-users about their views, needs and problems pertaining to important issues falling under competences of this sector working group.

Finally, civil society representatives that are members in the sector working group, independently or together with the sector group, produce analyses, research papers and policy documents aimed to inform the public on important issues in the policy area covered by this sector working group, but also to contribute to informed decision-making process within the sector group, as early as its establishment and throughout operation of the sector working group. Representatives from civil society organizations have capacity and resources to involve other organizations and relevant individuals in advocacy campaigns for particular policies and decisions under competences of this sector working group or for which certain influence should be exerted on other bodies within the negotiations structure for EU accession.

Effects from work of the sector working group on agriculture and rural development

This monitoring segment evaluates effects from work of the sector working group, i.e. monitors how much and whether the sector working group has made changes in its policy area. Analysis of the rules of procedure and minutes, but also attendance at sector group meetings, allow the conclusion that the group has a functional system for planning and developing annual plans, engages in consultations with key stakeholders and institutions, and proposes changes. An indicator for this situation are multiannual and annual strategy planning documents that are relevant for programming, including but not limited to sector planning documents, operational programs and action documents in the context of IPA II. Planning documents also include indicators to monitor progress. Moreover, the sector working group integrates the gender perspective in these documents. Also, a committee is established (comprised of social partners, local authorities and representative civil society organizations) and tasked to monitor planning documents in this sector.

Next, the sector working group effectuates changes in sector policies through monitoring implementation of the basic strategy documents.

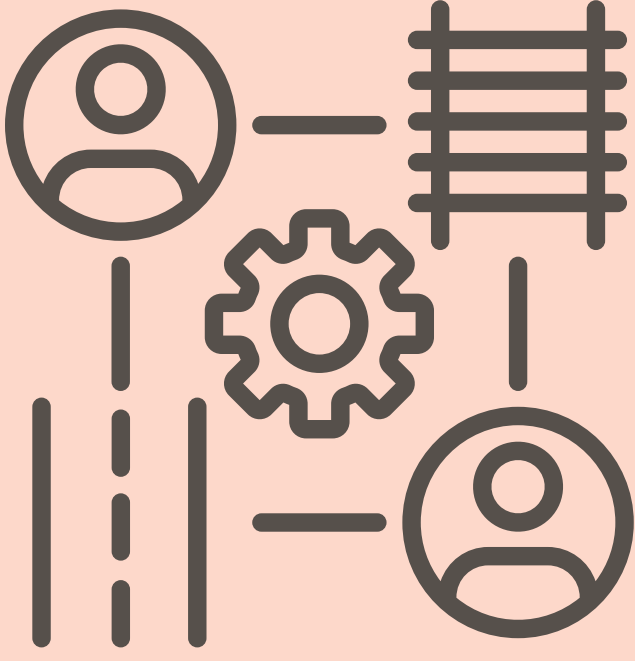


Such monitoring and evaluation also cover progress in terms of gender mainstreaming, with data on implemented activities and competences in the field of gender equality issues.

Third, activities of the sector working group include monitoring and coordination of foreign aid, as well as making recommendations and proposal for coordination and better use of foreign assistance. Findings in this regard refer to the fact that the sector working group on agriculture and rural development uses NPAA¹¹⁹ in its work and makes proposals for foreign aid coordination according to sector priorities under IPA. Also, the sector working group ensures alignment of sector policies and development programs with relevant policies on EU integration of the Government of the Republic of North Macedonia and with gender quality policy in RNM and at the EU level.

¹¹⁹ National Programme on Adoption of the EU Acquis, available at: <http://www.sep.gov.mk/content/?id=13>





7. SECTOR WORKING GROUP ON TRANSPORT

According to the key strategy document in the sector *transport*, i.e. the National Transport Strategy 2018 - 2030¹²⁰ adopted in December 2018, attainment of first short-term objectives is anticipated in 2021. Hence, in 2019 there were no attainments in this regard, although several projects of different donors and creditors (EU, WB, EBRD, Exim Bank) are under implementation. In general, the projects concern construction or modernization of road and railway infrastructure, and development of project documents. Otherwise, only small portion of documents in this sector are publicly available and organized in one place.

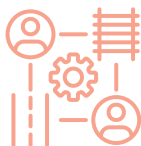
Large-scale infrastructure projects that were finalized in 2019 included the motorway section Miladinovci – Shtip, which was put into operation in June 2019.

The National Programme on Railway Infrastructure for the period 2019 - 2021¹²¹ was adopted in June 2019 and includes the Government's plans for development and promotion of railway infrastructure conditions in the country. In particular, it anticipates completion of projects that will require 272 million euros, of which 43.5% are secured as loans from international financing institutions, 44% from grants (including IPA), 11.5% from the Budget of RNM, and 1% own funds from PE Railways of RNM.

Having in mind previous delays and problems in implementation of several significant infrastructure projects, there is no annual reporting on implementation of the programme's action plans (whose objectives are defined for long timeframe, i.e. short-term objectives by 2021, mid-term objectives by 2025 and long-term objectives by 2030. Introduction of such reporting would not only ensure more adequate information for the public and stakeholders, but would also serve

¹²⁰ <http://www.mtc.gov.mk/media/files/2019/NTS-final%20MK.pdf>

¹²¹ National Programme on Railway Infrastructure 2019 - 2021, "Official Gazette of RNM" no. 122/19



as timely alert for problems detected during implementation and the need for adequate measures to address them, which will ultimately result in successful and timely strategy implementation.

Except for the Transport Strategy that was adopted earlier, there were no significant achievements in this sector throughout 2019 aimed to implement necessary and envisaged sector reforms, especially in the area of railway traffic and reducing the country's dependency on road traffic. Road and railway safety, including rights of passengers, remain problematic areas that require further advancement, alignment with the EU *acquis* and/or adherent application of legislation in effect.

Sector working group on Transport



The sector working group on transport was formed in 2015 and has own rules of procedures that were amended in 2016. The sector group is chaired by the Minister of Transport and Communications. Members of this sector group include representatives from the line ministries and other institutions, and the civil society. A total of four (4) civil society representatives participate in work of this sector group, with the status of members. Moreover, the sector group can engage independent representatives from economic, social, academic and civil society organizations relevant for its work. In 2019, this sector working group held one plenary session on 26.9.2019.

Functionality of the sector working group on transport

The sector working group on transport is the only working group for this sector. It is chaired and coordinated by the Ministry of Transport and Communications.

The decision on formation of this sector working group was taken at the government session held on 31.3.2015,¹²² together with the rules of procedure. Soon afterwards, on 8.6.2016, the rules of procedure were amended with addition of obligations assigned to particular sector working groups, including this sector group, as the third level of

¹²² The sector working group on transport was founded with the decision taken on the 65th session of the Government of the Republic of North Macedonia.

bodies under the National Investment Committee,¹²³ responsible for operational implementation of the process for programming, creating lists of sectors-specific projects and securing feedback from higher levels. In addition to this sector working group, bodies under this committee also include sector working groups on environment, energy and social policy.

According to minutes from the government session held on 8.5.2018,¹²⁴ the Secretariat for European Affairs was tasked to propose amendments to the rules of procedure for sector working groups upon previous consultations with institutions that chair individual sector groups. According to information obtained from the Ministry of Transport and Communications, which has submitted comments and proposals to amend the rules of procedure, they did not receive any feedback whether these comments and proposals are accepted and whether the rules of procedure will be adequately amended, including whether such amendments will be adopted by the Secretariat for European Affairs or they need to be adopted individually by each sector working group.

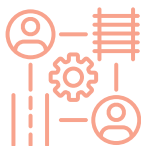
Be that as it may, according to the first rules of procedure, the sector working group on transport is “interdepartmental forum for cooperation, with the mandate to implement matters related to formulation and implementation of national sector policies, including those that are relevant for the EU integration process, and to coordinate donor aid in this sector, especially the EU’s IPA II Programme”.

Tasks of this sector working group include:

- reviewing and amending the single list of projects identified in the transport sector;
- reconsidering documents on multiannual and annual strategy planning that are relevant for programming in the transport sector in the context of IPA II;
- ensuring transparency and broad participation of relevant partners and stakeholders in all stages of the planning process;
- detecting possible shortcomings, problems and risks in planning programs and projects;

¹²³ The National Investment Committee was formed in July 2015 as advisory body for stakeholder coordination in financing investment projects in the sectors on transport, energy, social policy and environment.

¹²⁴ 67th session of the Government of the Republic of North Macedonia, available at: <https://vlada.mk/sednica/67>



- | proposing measures to be taken and improving cooperation and exchange of work experiences;
- | developing recommendations and opinions in compliance with IPA II; and
- | ensuring that use of donor assistance is compliant with relevant strategic priorities of the government.

Work of this sector group is closely linked to the National Transport Strategy 2018-2030¹²⁵ (and the previous National Transport Strategy 2007-2017), which represents the key strategy document on transport policy that provides basis for the working group, through a single framework, to ensure coordination of IPA interventions for effective management of reform processes and resources.

The working group is comprised of chair, deputy chair, NIPAC representative, secretariat and members. The Ministry of Transport's Department on EU Negotiations and Integration coordinates the work of this sector working group.

The chair, deputy chair and secretariat are appointed by the Minister of Transport, NIPAC representative is appointed by the Deputy Prime Minister Responsible for European Affairs, while members are appointed on proposal from line ministries and other institutions. The sector working group may also include independent representatives from economic, social, academic and civil society organizations that are relevant for its work.

However, it seems that for the time being the biggest burden for operation of this sector group falls on 11 members and their deputies from the competent ministry. Participation and contribution by members from other institutions and other representatives from external institutions, including the civil society, could be assessed as insufficient and minimal.

The sector working group should meet at least once every three months. However, in 2019 it held only one meeting (26.9.2019) for presentation, review and adoption of draft indicators for this sector, i.e. for establishing the status of indicators and identifying the need for their change, as well as assigning responsible persons and institutions for each indicator.

Several days before any meeting, the sector working group distributes the invitation, agenda and materials that will be discussed at the sched-

¹²⁵ <http://www.mtc.gov.mk/media/files/2019/NTS-final%20MK.pdf>

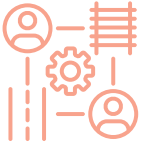
uled meeting. It does not share information on its work, mainly due to the fact that, according to information obtained from sector group members, meetings are often topic-based and concern ongoing and future projects for which discussions could contain confidential data that are not publicly shared. However, the sector working group is prepared, in the future, to share with the public at least information that fall under the scope of the Law on Free Access to Public Information.

Civil society participation in the sector working group on transport

Three (3) civil society organizations participate in work of the sector working group on transport and they were invited in 2018 as part of efforts under then-current IPA II Mechanism for Civil Society, which served as platform for selection of these organizations to participate in work of this sector group. The civil society organizations selected by the IPA II Mechanism for participation in the sector working group on transport are: Center for Environmental Research and Information - *Eko-svest*, LAG Agro Leader; and Institute for Social Research and Sustainable Development ISIOR – Struga.

These civil society organizations are not members of the sector working group, but participate at meetings upon invitation from the Ministry of Transport and Communications depending on the agenda topic, as representatives from external, non-state institutions.

Representatives from civil society organizations and representatives from the sector working group assess the civil society participation in this sector group as insufficient and minimal. Two civil society representatives have attended only one meeting, i.e. the first meeting held at the beginning of their participation in 2018, which was dedicated to presentation of the Draft National Transport Strategy 2018-2030, while the third civil society representative later attended one additional meeting for presentation of the annual plan for strategy implementation. Some representatives from civil society organizations indicate they were not invited to other meetings, while the Ministry of Transport and Communications informed that all members and other representatives are timely and neatly invited, with submission of necessary documents and information. Therefore, civil society organizations have not submitted additional proposals and remarks, but when attending



the sector group meetings they joined discussion with remarks, suggestions and proposals, and were given sufficient time and space for that. Except for these three, there are no other cases of civil society organizations that have participated in work of this sector working group.

Capacity of civil society organizations in the sector working group on transport

Representatives from civil society organizations involved in work of the sector working group believe they have sufficient capacity to contribute to attainment of its objectives and tasks. In particular, civil society representatives feel their capacity and expertise are not utilized, although they could be put into use in order to promote work of the sector working group. However, in the light of the exceptionally low number of involved civil society organizations that occasionally or rarely participate in work of this sector group, the conclusion is inferred on the need for capacity building of a broad scope of civil society organizations so they could eventually join the work of this sector working group.

Involved civil society organizations produce analyses, research papers and policy documents, but they are more narrowly focused on individual interrelated segments, instead of the transport sector as a whole.

Effects from work of the sector working group on transport

It seems there are several limiting factors to achievement of greater effects from work of the sector working group on transport.

First, in 2019 the working group held only one meeting, although the rules of procedure stipulate that it should meet at least once every three months. This work dynamics appears insufficient to monitor action plans on implementation of the transport strategy, to develop annual plan of activities, to monitor and evaluate achievements, and to propose and take corrective measures.

Second, it is evident that not its effects, but also the existence, operation and functioning of the sector working group fully rely on the Ministry of Transport and Communications and depends on several employees that are directly involved in the sector group.

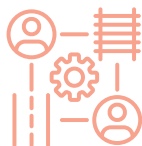
Third, low interest and participation of external members and representatives from external non-state institutions, in general, leads to the conclusion that an opportunity was lost for these representatives to make invaluable contributions to work of this group and to attainment of greater effects.

The first annual report on strategy implementation is due for submission to the Government in March 2020, followed by possible evaluation of effects from strategy implementation, but also the role and contribution of the sector working group on transport in that regard.

Recommendations for the sector working group on transport

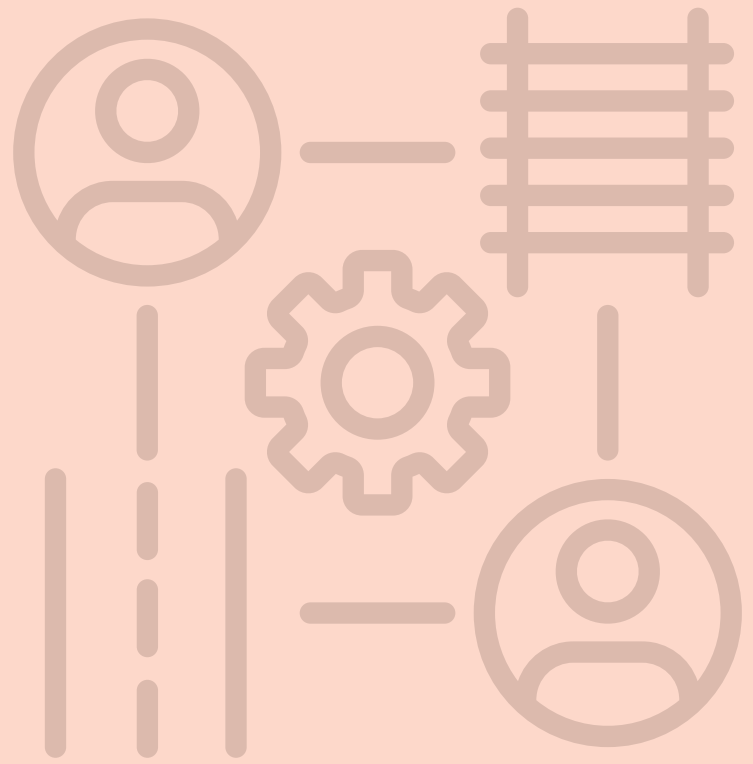
Having in mind the past track-record, operation and involvement of all stakeholders in work of the sector working group on transport, the following recommendations are valid in order to improve its work and effects:

- To establish more frequent dynamics for meetings of the working group, at least two meetings per year, and even one meeting per quarter, whereby such initiative should come from the line ministry;
- To ensure greater involvement, engagement and dedication in work of this sector working group among other institutions in the transport sector that are not members of the group, i.e. to make efforts for so-called shared ownership and responsibility for operation of the working group and for attainment of greater effects from its work;
- To request and to obtain more information on issues and topics reconsidered by this working groups both from other factors, i.e. representatives from external institutions and from civil society organizations that are in some form or manner already involved in work of this sector group;
- To improve communication between the sector group coordinator and other members, especially those outside the Ministry of Transport and



Communications, with focus on representatives of external institutions and organizations, in order to secure regular, two-directional and transparent communication on issues that are not directly related to meetings of the sector working group, but are of broader interest in the sector;

- To identify other civil society organizations that are interested, able and have capacity to participate in work of this sector group, even in regard to topics of broader scope for this sector working group, having in mind that there is limited number of civil society organizations with narrow focus on the transport sector.





8. SECTOR WORKING GROUP ON ENVIRONMENT AND CLIMATE ACTION

In its composition, the sector working group on environment and climate action includes broad scope of institutions competent for policy-making in this area. As the competent department within the Government of the Republic of North Macedonia, the Ministry of Environment and Spatial Planning is responsible for policy coordination in this sector. However, in practice this means that other line ministries make significant contributions in policy-making or sometimes in direct creation of laws. In addition, interdepartmental consultations in this sector usually take more time given that its policies could have an impact on different thematic issues ranging from economy, through infrastructure, to tourism. Hence, for example, amendments to the Law on Vehicles were drafted by the Ministry of Economy,¹²⁶ but implied interdepartmental consultations within the Government of the Republic of North Macedonia. The changes concerned environmental classification of vehicles, i.e. introduction of stickers for vehicle categorization. Under this categorization, the legislator introduced new possibilities for traffic regulation and reduced air pollution on days when threshold values are exceeded. In addition, the law introduced new subsidies for electric and hybrid vehicles.

An important aspect of the Ministry of Environment's policies concerns international agreements on fight against climate change and other topics within its competences. Hence, the Doha Amendment to the Kyoto Protocol of the United Nations Framework Convention on Climate Change¹²⁷ and the Minamata

¹²⁶ Law on Amending the Law on Vehicles, adopted by the Parliament of RNM on 30.7.2019, available at: <https://www.pravdiko.mk/wp-content/uploads/2013/11/Zakon-za-izmenuvane-i-dopolnuvane-05-08-2019-2.pdf>

¹²⁷ "Official Gazette of RNM" no. 152/2019



Convention on Mercury¹²⁸ were ratified in 2019, followed by adoption of the Law on Ratification of the Amendment to the Montreal Protocol on Substances That Deplete the Ozone Layer.¹²⁹

As regards legislative solutions, 2019 could be characterized as the year of new amendments and laws that were created but not adopted by the Parliament of the Republic of North Macedonia. This was due to premature dissolution of the Parliament for organization of the early parliamentary elections, but also the change of ministry leadership, i.e. appointment of new minister in mid-2019.

Proposed but non-enacted legal solutions concern material changes for transposition of the EU *acquis*, harmonization of the national legislation and alignment with other laws. As regards laws transposing the EU *acquis* and national legislation harmonization, proposals included the Law on Amending the Law on Environment and the Law on Amending the Law on Ambient Air Quality.¹³⁰ As regards laws intended for alignment with other national legislation, mainly misdemeanour laws, the Ministry of Environment and Spatial Planning, through the Government, submitted the following legislation:

- Proposed Law on Amending the Law on Waste Management;
- Proposed Law on Amending the Law on Protection against Environmental Noise;
- Proposed Law on Amending the Law on Nature Protection;
- Proposed Law on Amending the Law on Management of Packaging and Packaging Waste;
- Proposed Law on Amending the Law on Waters;
- Proposed Law on Amending the Law on Control of Volatile Organic Compound Emissions in Fuel Use;
- Proposed Law on Amending the Law on Management of Electrical and Electronic Equipment and Electrical and Electronic Waste;
- Proposed Law on Amending the Law on Genetically Modified Organisms;

¹²⁸ Law on Ratification of the Minamata Convention on Mercury, "Official Gazette of RNM" no. 34/2020

¹²⁹ "Official Gazette of RNM" no. 34/2020

¹³⁰ Information obtained from the Ministry of Environment and Spatial Planning

- Proposed Law on Amending the Law on Management of Batteries and Accumulators and Battery and Accumulator Waste;
- Proposed Law on Amending the Law on Mountain Trails.¹³¹

Although these laws were presented to the Parliament and were approved by the Government of the Republic of North Macedonia, they did not reach finalization at the Parliament. Hence, these proposed policies remain relevant, but are not in effect by means of enforceable laws. Hence, these proposals will be closely monitored in the following period in terms of their adoption by the new parliamentary composition.

In addition and as part of its competences, the ministry drafted legal solutions aimed to align national legislation with the EU *acquis* by means of drafting new laws. These legal solutions are still in governmental procedure for interdepartmental consultations or are subject of public consultations. They include¹³²:

- Law on Nature Protection (initial interdepartmental consultations);
- Law on Waste Management (public consultations completed and proposal submitted to the government – interdepartmental consultations);
- Law on Management of Electrical and Electronic Equipment and Electrical and Electronic Waste (public consultations completed and proposal submitted to the government – interdepartmental consultations);
- Law on Management of Batteries and Accumulators and Battery and Accumulator Waste (public consultations completed and proposal submitted to the government – interdepartmental consultations);
- Law on Management of Packaging and Packaging Waste (public consultations completed and proposal submitted to the government – interdepartmental consultations);

¹³¹ Information obtained via electronic means from the Ministry of Environment and Spatial Planning

¹³² Information obtained via electronic means from the Ministry of Environment and Spatial Planning



- Law on Extended Producer Responsibility for Management of Separate Waste Flows (public consultations completed and proposal submitted to the government – interdepartmental consultations);
- Law on Additional Waste Flows in the System of Expanded Producer Responsibility (public consultations completed and proposal submitted to the government – interdepartmental consultations).

In addition, the ministry has initiated development of the draft law on climate action and long-term strategy on climate action.

In addition to activities for drafting laws and laws that are still in government procedure, in 2019 the ministry was active in creation of new rulebooks and strategies. In particular, significant progress is noted in regard to the manner in which the Ministry of Environment and Spatial Planning plans its activities on gender mainstreaming in climate change policies through the Draft National Action Plan on Gender Mainstreaming in Climate Change Policy (2019)¹³³. In December 2018, the Draft National Action Plan was presented before the committee on equal opportunities at the Parliament of the Republic of North Macedonia, with participation of representatives from donor community and civil society organizations that work in the field of gender equality.

On the other hand, a series of secondary legislation on ambient air quality was adopted, including the Rulebook on Amending the Rulebook on the Methodology, Methods, Procedures and Means for Monitoring Stationary Source Emissions¹³⁴ and the Rulebook on Amending the Rulebook on Threshold Values for Permissible Emission Levels and Types of Pollutants in Waste Gases and Vapours from Stationary Sources.¹³⁵ Also, the ministry adopted the State Automatic Air Quality Monitoring System's 2020 Work Program and the 2019 Program for Air Pollution Reduction¹³⁶ in compliance with to the Clean Air Plan for the period 2019 - 2020.¹³⁷

¹³³ Draft National Action Plan on Gender Mainstreaming in Climate Change Policy, available at: <https://klimatskipromeni.mk/data/rest/file/download/887dd265aaf7878b2141835fcdefe4d13e2391f8eee2adf666f16e9fa2326240.pdf>

¹³⁴ "Official Gazette of RNM", no. 176 from 26.8.2019

¹³⁵ "Official Gazette of RNM" no. 223 from 29.10.2019

¹³⁶ 2019 Program for Air Pollution Reduction, available at: http://www.moep.gov.mk/wp-content/uploads/2015/01/Plan_Programa.pdf

¹³⁷ Clean Air Plan of the Government of RNM, available at: <https://vlada.mk/PlanZaChistVozduh>

In addition to secondary legislation, plans and rulebooks, documents developed in this period include the Draft Rulebook on Establishment of the National Information System on Natural Heritage and the Rulebook on Designation and Visualization of Protected Areas in compliance with EU Directives (INSPIRE). Furthermore, the ministry developed the Draft National Plan on Waste Management of the Republic of North Macedonia 2020 – 2026.

Strategies and plans adopted in the area of nature protection include: the National Red Listing for Herpetofauna (Amphibians and Reptiles) according to the criteria, guidelines and procedures of the International Union for Conservation of Nature (IUCN), the Management Plan for World Natural and Cultural Heritage in the Ohrid Region (2020 -2029) with Action Plan (adopted in January 2020). In addition and related to open dumping sites and environmental protection, the Proposed Action Plan to Combat Poisoning of Wildlife was adopted.

In addition to secondary legislation, laws, strategies and action plans, the Ministry of Environment holds competences in regard to proclamation of natural rarities and designation of protected areas. Such competences anticipate prior approval from the Government and, depending on the category, include various procedures. In the period between 2019 and 2020, a series of decisions were taken to proclaim natural rarities, including: decision on proclamation of the Old World Sycamore –Ohrid as natural rarity; decision on proclamation of Downy Oak – village Beli as natural rarity; decision on proclamation of Black Mulberry – Lesново as natural rarity; decision on proclamation of characteristic geological profile – Zvegor as natural rarity; and decision on proclaiming the speleological facility – Kiselichka Cave as natural rarity. Additionally, in March 2020, upon proposal from the Ministry of Environment and Spatial Planning, the Government of the Republic of North Macedonia adopted decisions on acceptability of proposals for designation of part of Shar Planina (Sharr Mountain) as category 2 protected area – national park and designation of part of Osogovo Planini (Osogovo Mountains) as category 5 protected area – protected area.¹³⁸ According to the procedures in place, the next stage for designation of part of Shar Planina as national park implies consultations with inhabitants from the intended protected area and creation of separate legal solution for the new national park.

As regards performance reporting and evaluation, the Third Environmental Performance Review within the United Nations

¹³⁸ Information from 49th session of the Government of the Republic of North Macedonia, held on 5.5.2020, available at: <https://vlada.mk/node/21293>



Economic Commission for Europe (UNECE) for the period 2011-2018¹³⁹ was finalized and published in 2019.

Although this report should additionally review participation of civil society organizations, unfortunately there is insufficient information for a concise conclusion to be inferred without having to engage in methodology-based surveying of civil society representatives. Nevertheless, interest among citizens for this sector is high, primarily because of enormous air pollution during winter season. That resulted in organization of citizens into informal movements that marched the streets for clean air and presented the competent ministry and the Government of the Republic of North Macedonia with their demands. The movement “Fridays for Future” also became active in the country. In December 2019, youth from the capital organized a protest demanding implementation of measures to reduce air pollution, with activists sharing messages that the Government accepts their demands, but fails short on their delivery.¹⁴⁰

Based on data for policies created and adopted, work in this sector could be divided in two different parts. The first part, i.e. development and creation of sector policies demonstrates high performance track-record. On the other hand, the major problem for this sector in 2019 was adoption of laws. Main factors behind such discrepancy are two-fold. On one side, the impact of the minister’s replacement in mid-2019, and on the other side, the early parliamentary elections that shortened MPs’ term of office, resulting in narrow timeframe for adoption of new changes to laws and new legislation. All that reduced possibilities for the line ministry to directly intervene in the legislation. However, that does not absolve politicians of their responsibility for environmental protection and active combat against climate change.

¹³⁹ Communication from the Ministry of Environment and Spatial Planning related to presentation of the UNECE Third Environmental Performance, available at: <http://www.moep.gov.mk/?nastani=%D0%BF%D1%80%D0%B5%D0%B7%D0%B5%D0%BD%D1%82%D0%B8%D1%80%D0%B0%D0%BD-%D1%82%D1%80%D0%B5%D1%82%D0%B8%D0%BE%D1%82-%D0%BF%D1%80%D0%B5%D0%B3%D0%BB%D0%B5%D0%B4-%D0%BD%D0%B0-%D1%81%D0%BE%D1%81%D1%82%D0%BE>

¹⁴⁰ “Youth March for Clean Airs, *Deutsche Welle* in Macedonian language, published on 20.12.2019, available at: <https://www.dw.com/mk/%D0%BC%D0%BB%D0%B0%D0%B4%D0%B8%D1%82%D0%B5-%D0%BC%D0%B0%D1%80%D1%88%D0%B8%D1%80%D0%B0%D0%B0-%D0%B7%D0%B0-%D1%87%D0%B8%D1%81%D1%82-%D0%B2%D0%BE-%D0%B7%D0%B4%D1%83%D1%85/a-51757722>

Sector Working Group on Environment and Climate Action



The sector working group on environment and climate action was formed in 2015. It does not have own rules of procedure or work decision. However, according to government procedures and decisions, this sector group is coordinated by the Ministry of Environment and Spatial Planning and is chaired by the line minister. Members of this sector group include representatives from state institutions with competences in this area, donor community and the civil society. A total of six (6) civil society representatives participate in work of this sector group, but due to lack of formal acts their status remains unregulated. In 2019, this sector working group held one plenary session on 19.12.2019.

Functionality of the sector working group on environment and climate action

The sector working group on environment and climate action was formed in 2015 as part of the overall process for formation of sector groups, by means of decision taken by the Government of the Republic of North Macedonia, while its first meeting was organized in March the same year, with financial assistance from the British Embassy in the Republic of North Macedonia.¹⁴¹

This sector working group is focused on several policy areas, as follows:

- | alignment with the EU legislation;
- | harmonization and implementation of the legislation on environment and climate change;
- | water quality, air quality and waste management;
- | nature protection;

¹⁴¹ Media article, available at: w.webohrid.com/2015/03/12/odrza-prviot-sostanok-na-sektorksta-rabotna-grupa-za-zivotna-sredina-i-klimatski-akcii/



- | support to reducing industry pollution;
- | energy and climate change; and
- | making recommendations in enlisted priority areas, summarized in two sector-specific analysis on general alignment and implementation of the legislation on environment and climate change.¹⁴²

Key work documents for this sector are:

- | Strategy on Environment and Climate Change 2014-2020;¹⁴³
- | National Strategy on Waters;¹⁴⁴
- | National Strategy on Nature Protection 2017–2027;¹⁴⁵
- | Strategy on Biological Diversity 2018-2023;¹⁴⁶
- | Sector Operational Programme for Environment 2014-2020.

The need for formation of this working group originated in the intention for application of the sector-wide approach in implementation of foreign aid and national funds that are supported by single policy and program. Notably, this sector working group was established in 2015 with a view to strengthen interinstitutional cooperation, to secure effective coordination of activities related to programming and monitoring of EU funds, other bilateral and multilateral assistance, as well as to propose measures and activities aimed to improve state-of-play in environment and climate change. The sector working group should have an important role in ensuring coordination with donors concerning discussion and alignment between needs and available funds.

According to the broad definition of the scope and key documents that regulate work of this sector working group, it is evident that civil

¹⁴² IPA Mechanism for Civil Society, “Compilation of Sector Findings and Recommendations from the IPA Mechanism for Civil Society”, 2018, available at: <https://drive.google.com/file/d/1z01iPlwONStMCE4HbnEPf9TdAtkNCi3/view>

¹⁴³ Strategy on Environment and Climate Change 2014-2020, available at: <https://bit.ly/2V9BEI8>

¹⁴⁴ Strategy on Waters of the Republic of Macedonia, available at: http://www.moepp.gov.mk/?page_id=3197

¹⁴⁵ National Strategy on Nature Protection 2017–2027, available at: <https://bit.ly/3eluRIT>

¹⁴⁶ National Strategy on Biological Diversity, available at: <https://bit.ly/2XCfoZ0>

society participation is important with a view to establish and channel expertise of the civil society in relevant documents.

The sector working group on environment and climate action has not adopted own rules of procedure that would regulate its competences, membership, chairperson and method for sharing information and documents.¹⁴⁷ Actually, this sector group is not formed with the rules of procedure and decision for its operation, which is indicative of the informal approach in operation of the sector working group. According to internal government decrees and decisions, this sector working group is coordinated by the Ministry of Environment and Spatial Planning. According to previous practices, meetings of the sector working group are chaired by the line minister or, in particular cases, the state secretary. The co-chair position in the sector group is assigned to the head of cooperation at the EU Delegation in the Republic of North Macedonia.

Civil society participation in the sector working group on environment and climate action

Having in mind the number of policy areas covered by this sector working group and according to documents/regulations on the sector-wide approach, civil society and its participation are of fundamental importance for this sector working group. The composition of the sector group includes representatives from state institutions with competences in this policy area, as well as representatives from the donor community and civil society organizations. After its establishment, on 25th November 2016 the Ministry of Environment and Spatial Planning announced an open call for non-governmental organizations in the Republic of North Macedonia to select representatives that will be members of the sector working group and the sectoral monitoring committee on environment and climate action under IPA.¹⁴⁸

¹⁴⁷ Information from the meeting with the competent IPA coordinator at the Ministry of Environment, July 2019

¹⁴⁸ Public call to non-governmental organizations in the Republic of North Macedonia for selection of members in the sector working group and IPA sectoral monitoring committee on environment and climate action: <https://bit.ly/2XCK2l4>



In addition, it is important to note that civil society organizations invest efforts and organize themselves for selection of representatives in this sector working group. Namely, the civil society representative and deputy representative in this sector working group were selected under the IPA II project. Such example demonstrates desire of the civil society to participate in work of this sector group in organized manner. Moreover, activities from the same project included organization of consultation meetings with civil society organizations for the purpose of drafting recommendations to the competent ministry.

Hence, the sector working group on environment and climate action involves representatives from several civil society organizations, those being: Go Green; CNVP – Connecting Natural Values and People Foundation; FLOROZON - Center for Environmental Democracy, Macedonian Ecological Society, EcoTeam- - East; and Center for Climate Change –Gevgelija.

It is important to note that this sector working group should adopt formal acts that will guarantee participation of civil society organizations, and thereby their status as equitable members together with institutions and the donor community.

In 2019, in the capacity of chair and coordinator of the sector working group on environment and climate action, the Ministry of Environment and Spatial Planning held one plenary meeting on 19.12.2019. This meeting was intended for presentation and discussion of indicators for performance assessment of reforms implemented in this sector. In particular, at the meeting it was stressed that one of the main criteria for implementation of the sector-wide approach to environment is definition and monitoring of the Performance Assessment Framework, in order to measure reforms in this sector. In the forthcoming period, reform success in the entire sector should be measured by establishing indicators that are to be approved by the Government of the Republic of North Macedonia in 2020, together with performance indicators for other sector working groups.¹⁴⁹

¹⁴⁹ Notification on the website of the Ministry of Environment and Spatial Planning, published on 20th December 2019, available at: <http://www.moep.gov.mk/?nastani=%D0%B3%D0%BE%D0%B4%D0%B8%D1%88%D0%BD%D0%B0-%D1%81%D1%80%D0%B5%D0%B4%D0%B1%D0%B0-%D0%BD%D0%B0-%D1%81%D0%B5%D0%BA%D1%82%D0%BE%D1%80%D1%81%D0%BA%D0%B0-%D1%80%D0%B0%D0%B1%D0%BE%D1%82%D0%BD%D0%B0-%D0%B3>

Effects from work of the sector working group on environment and climate action

Based on available data, in 2018 the Ministry of Environment and Spatial Planning implemented a total of nine projects financed by the European Union. These projects are of various types, ranging from awareness for air pollution to technical support for water treatment plants and access to water supply in some municipalities. All of them are in compliance with strategies and key documents developed by the line ministry in that period. However, EU Delegation's report on implementation of IPA II assistance in the Republic of North Macedonia provides the conclusion that there is space for the Ministry of Environment and Spatial Planning to improve its impact and therefore, in the forthcoming period, intensive work is needed on all investments that should be implemented in this policy area.¹⁵⁰ Additionally to this conclusion, it remains unclear how expertise of the civil society is used within the sector working group, which prevented evaluation of effects from civil society participation in this sector group.

Recommendations to the sector working group on environment and climate change

- To increase transparency and accountability in operation of the sector working group on environment and climate action, by publishing information on its composition, regular documents and information on its work;
- To adopt formal documents, i.e. to develop the rules of procedure for this sector group, following the example of other sector working groups, which will clearly indicate participation of civil society organizations as sector group members;
- To develop annual work plans for the sector working group, in order to ensure adequate information for civil society organizations that are part of this group about its activities and work and to be able to anticipate and adequately prepare civil society participation on plenary sessions.

¹⁵⁰ Report on Implementation of the Assistance under IPA in 2018, April 2019, available at: <http://sep.gov.mk/data/file/Dokumenti/ipa2.pdf>



9. SECTOR WORKING GROUP ON EDUCATION, EMPLOYMENT AND SOCIAL POLICY

The sector *education, employment and social policy* is led by two competent ministries, those being: Ministry of Education and Science (MES) and Ministry of Labour and Social Policy (MLSP). MES covers the area of education, while MLSP is responsible for the other two topics: employment and social policy. However, MES also holds competences in particular segments of the social policy, for example, students and pupils' standard, which could be interpreted as original social policies.

In 2019, these two ministries presented the Parliament of the Republic of North Macedonia with proposal for amending and adopting 19 individual laws (some of which were changed several times) and completely new laws, all of which were adopted and related to topics falling within the sector *education, employment and social policy*. Having in mind the number of amendments and new laws adopted, it could be concluded that 2019 proved an important year for the reform process in the fields of education, employment and social policy, primarily in regard to legislative solutions.

Policies in the field of social welfare

In 2019, the Ministry of Labour and Social Policy submitted three rounds of changes to the Law on Social Work. Reforms in the social welfare system started with adoption of completely new Law on Social Protection in May 2019,¹⁵¹ which introduced changes to the method in which social protection is guaranteed in the Republic of North Macedonia (RNM) and are part of the overall social welfare reform. Moreover, the law introduced two completely new

¹⁵¹ Law on Social Protection, available at: http://mtsp.gov.mk/content/pdf/zakoni/2019/28.5_zakon_SZ.pdf



services for persons with disabilities – personal assistance and home care allowance. The rights of persons with disabilities are expanded to cover persons with intellectual disabilities, while social allowance for part-time work by parents who care for children with disabilities is raised to 50% of the average net salary.¹⁵² Additionally, the law changed the institutionalization approach from large institutions to small group homes for protection of their wards. More specifically, deinstitutionalization¹⁵³ of large group homes and protection of wards started in 2018 with adoption of the Strategy on Deinstitutionalization in the Republic of North Macedonia 2018 - 2027.¹⁵⁴ In 2019, this policy was implemented at national level, resulting in closure of large group homes for wards. As regards changes to the law, the first one was adopted in July 2019 by the Parliament of RNM¹⁵⁵ and concerned corrections of the initial law in regard to availability of social assistance for persons that are in possession of property. The second change to this law was adopted in December 2019¹⁵⁶ and concerned additions related to technical omissions in the legal text, as well as expansion of the right to personal assistance.

As regards social protection of specific groups of people, on proposal from MLSP the Parliament of RNM adopted the Law on Social Security for Elderly People and the Law on Protection of Children. The Law on Social Security for Elderly People is a completely new text adopted in May 2019¹⁵⁷ and anticipates guaranteed income for elderly persons that are citizens of RNM but do not fulfil criteria for pension benefits. Furthermore, the law anticipates additional monetary allowance for household energy fuel for the months October to March. On the other side, the Law on Protection of Children was changed three times in the course of 2019. The first change was adopted in May 2019 and

¹⁵² Presentation of the law at the Parliament of the Republic of North Macedonia by the Minister of Labour and Social Policy, available at: http://www.mtsp.gov.mk/mart-2019-ns_article-so-noviot-zakon-za-socijalna-zashtita-se-ovozmozuva-pokvaliteten-zivot-zalicata-so-poprecenost.nsp

¹⁵³ The term “deinstitutionalization” is defined and available here: http://mtsp.gov.mk/principi-ns_article-deinstitucionalizacija.nsp

¹⁵⁴ National Strategy on Deinstitutionalization in the Republic of North Macedonia 2018 – 2027, available at: http://mtsp.gov.mk/content/pdf/strategii/Strategii%202018/Strategija_deinstitucionalizacija_Timjanik_2018-2027.pdf

¹⁵⁵ Decree on proclamation of the Law on Amending the Law on Social Protection, available at: http://mtsp.gov.mk/content/pdf/zakoni/2019/23.7_zakon_soc%20zasita.pdf

¹⁵⁶ Decree on proclamation of the Law on Amending the Law on Social Protection, adopted on 27.12.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/%D0%B7%D1%81%D0%B7%20%D0%B1%D1%80%20275%2019.pdf>

¹⁵⁷ Decree on proclamation of the Law on Social Security for Elderly People, adopted on 21.5.2019, available at: http://mtsp.gov.mk/content/pdf/zakoni/2019/28.5_zakon_SZ_Starilica.pdf

anticipated increase of monetary allowance and advanced protection of children.¹⁵⁸ The second change to the law was made in July 2019 and included specification of technical aspects related to law enforcement and criteria for selection of managers at institutions for children protection.¹⁵⁹ The third change was adopted in December 2019 by the Parliament of RNM and concerned redefinition of eligibility criteria for financial assistance, as well as increased child education allowance from 6,000 MKD to 6,800 MKD.¹⁶⁰

Additionally, on proposal from the Ministry of Labour and Social Policy the Parliament of RNM adopted changes to laws on pension and disability insurance and fully-funded mandatory pension insurance. In particular, the Law on Pension and Disability Insurance was subject of two rounds of changes in 2019. The first round of changes from August 2019¹⁶¹ concerned fortification of the second insurance pillar and its further definition by legal regulations, while the second round of changes from December 2019¹⁶² concerned alignment of misdemeanour provisions from other laws in the state. Changes to the Law on Fully-Funded Mandatory Pension Insurance adopted in August 2019¹⁶³ concern alignment of the Law on Pension and Disability Insurance in regard to the second pension insurance pillar.

As regards programmes, action plans and strategy documents on social protection, emphasis should be put on the Revised Employment and Social Reform Programme 2022.¹⁶⁴ This document provides a framework for MLSP's next steps and strategy plan on employment and social policy reform by 2022. Through the project "CSO Dialogue

¹⁵⁸ Decree on proclamation of the Law on Amending the Law on Protection of Children, adopted on 21.5.2019, available at: [http://mtsp.gov.mk/content/pdf/zakoni/2019/28.5_zakon_DZ\(izmena\).pdf](http://mtsp.gov.mk/content/pdf/zakoni/2019/28.5_zakon_DZ(izmena).pdf)

¹⁵⁹ Decree on proclamation of the Law on Amending the Law on Protection of Children, adopted on 10.7.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/146%202019%20Zakon%20za%20izm%20i%20dop%20na%20Zakon%20za%20zastita%20na%20decata%2017%20o7%202019.pdf>

¹⁶⁰ Decree on proclamation of the Law on Amending the Law on Protection of Children, adopted on 29.12.2019, available at: <http://mtsp.gov.mk/content/word/zakon/2020/%D0%98%D0%B7%D0%BC%D0%B5%D0%BD%D0%B8%20dz.pdf>

¹⁶¹ Decree on proclamation of the Law on Amending the Law on Pension and Disability Insurance, adopted on 27.8.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/lzmeni%20i%20dopolnuvanja%20Zakon%20PIO%20sep.2019.pdf>

¹⁶² Decree on proclamation of the Law on Amending the Law on Pension and Disability Insurance, adopted on 27.12.2019, available at: [http://mtsp.gov.mk/content/pdf/zakoni/2019/31,12-PIO%20br%20%20275-2019%20%20\(2\).pdf](http://mtsp.gov.mk/content/pdf/zakoni/2019/31,12-PIO%20br%20%20275-2019%20%20(2).pdf)

¹⁶³ Decree on proclamation of the Law on Amending the Law on Fully-Funded Mandatory Pension Insurance, adopted 27.8.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/dopolnuvan%D1%98%D0%B5%20na%20%20ZZKFPO%20sep.2019.pdf>

¹⁶⁴ Revised Employment and Social Reform Programme 2022, Government of the Republic of North Macedonia, adopted in December 2019, available at: [http://www.mtsp.gov.mk/content/pdf/dokumenti/2020/ESRP\(r\)%202022%20\(MKD\)%20full.pdf](http://www.mtsp.gov.mk/content/pdf/dokumenti/2020/ESRP(r)%202022%20(MKD)%20full.pdf)

– Platform for Structural Participation in EU Integrations”, civil society organizations were given possibility to present their comments and ideas to improve this document before its adoption.



Policies in the field of employment

In their essence, employment policies are reduced to programmes and action plans that regulate specific employment measures and laws that govern employment/unemployment policies. In 2019, the Ministry of Labour and Social Policy created and the Government adopted the 2020 Operational Plan for Active Employment Programmes and Measures and Labour Market Services.¹⁶⁵ These annual operational plans are based on the National Action Plan for Employment 2018 - 2020,¹⁶⁶ which in turn arises from the National Employment Strategy of the Republic of North Macedonia 2016 - 2020.¹⁶⁷ These documents are of key importance in planning and implementing employment measures. At the same time, they are created with specific objectives in terms of labour market participation and measures targeting women, vulnerable categories of citizens and unemployed youth in the state. As regards the youth, in 2018 MLSP introduced a pilot programme called “Youth Guarantee”. Following the example of other countries from the European continent, MLSP introduced this policy as additional measure for youth to find employment and join the labour market. In 2018, the pilot programme was implemented in three municipalities, while in 2019 this policy was activated in four specific regions. Key strategy documents provide crucial guidelines for employment policies, but primarily they are of essential importance for development and implementation of employment measures. Additionally, these documents are regularly consulted with the social partners, civil society organizations, as well as with the international donor community which also participates in implementation of measures.

As regards changes to legal provisions, MLSP proposed and the Parliament of RNM adopted changes to the Law on Labour Relations.¹⁶⁸

¹⁶⁵ 2020 Operational Plan for Active Employment Programmes and Measures and Labour Market Services, available at: <http://mtsp.gov.mk/content/word/dokumenti/Dokumenti%202019/OP-2020.doc>

¹⁶⁶ National Action Plan for Employment 2018 - 2020, available at: <http://mtsp.gov.mk/content/word/dokumenti/dokumenti%202018/Akciski%20plan%20vработување%202018-2020%20%2010.09.2018.do>

¹⁶⁷ National Employment Strategy of the Republic of North Macedonia 2016 - 2020, available at: <http://mtsp.gov.mk/content/pdf/strategii/Nacionalna%20Strategija%20za%20Vработување%20na%20Republika%20Makedonija%20za%20Vlada%2016102015.pdf>

¹⁶⁸ Law on Amending the Law on Labour Relations, adopted on 27.5.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/zro%202019.pdf>

These changes implied alignment with other laws, by adding the words “and employees of the National Security Agency”, as new unit of the executive government. Although an initiative was raised and a working group was formed for additional meaningful changes to the law, with participation of social partners and civil society representatives, these proposals remained unrealized,¹⁶⁹ primarily due to the early parliamentary elections announced to take place in early 2020.

Additionally, on proposal from MLSP, the Parliament of RNM adopted changes to the Law on Employment and Insurance in Case of Unemployment.¹⁷⁰ These changes implied further precision of certain gaps in the law related to operation of the Employment Service Agency, measures that are implemented and are part of action plans for employment, and procedures for unemployment registration, all of which facilitate access to services provided by the Employment Service Agency. In addition, the “youth” category was regulated by law for the first time, whereby youth are defined as persons aged 15 to 29 years.

Except for changes to two key laws in the field of employment, the Ministry of Labour and Social Policy also drafted the Law on Internship.¹⁷¹ In particular, this law regulates internship for young people aged up to 34 years at legal entities in the state. The proposed law was developed in cooperation with the social partners, business community and civil society, whereby their comments were integrated in the law’s final text.

Although not necessarily related to employment, changes were also made to the Law on Salary Payment in the Republic of North Macedonia and the Law on Minimum Salary in the Republic of North Macedonia. Furthermore, the Law on Subsidies for Mandatory Social Insurance Contributions for Salary Increase was adopted. As regards the Law on Salary Payment in the Republic of North Macedonia, changes concerned technical adjustment with misdemeanour provisions from other laws.¹⁷² On the other hand, the Law on Minimum Salary in the Republic of North Macedonia was subject to two rounds of changes in 2019. The first change concerned technical replacement of the term “tax on personal

¹⁶⁹ Reactor – Research in Action participated in the working group tasked to draft amendments to the Law on Labour Relations

¹⁷⁰ Decree on proclamation of the Law on Amending the Law on Employment and Insurance in Case of Unemployment, available at: [mtsp.gov.mk/content/pdf/zakoni/2019/Zakon za vrabotuvanje i osiguruvanje mk.pdf](http://mtsp.gov.mk/content/pdf/zakoni/2019/Zakon%20za%20vrabotuvanje%20i%20osiguruvanje%20mk.pdf)

¹⁷¹ Law on Internship, adopted on 17.5.2019, available at: http://mtsp.gov.mk/content/pdf/dokumenti/2019/sluzben_vesnik_praktikanstvo_MKD.pdf

¹⁷² Law on Amending the Law on Salary Payment in the Republic of North Macedonia, adopted on 3.10.2019, available at: http://mtsp.gov.mk/content/pdf/zakoni/2019/8.10_plati.pdf



income” with the term “personal income tax”.¹⁷³ Key difference under the second round of changes was the amount of minimum salary, which ties minimum salary to average salary paid in the state, the cost of living index and the gross domestic product growth.¹⁷⁴ Under this approach, the minimum salary is increased to gross amount of 21,776 MKD, i.e. net amount of 14,934 MKD. In addition to increased minimum salary, the Ministry of Labour and Social Policy proposed the Law on Subsidies for Mandatory Social Insurance Contributions for Salary Increase, which was adopted by the Parliament of RNM in November 2019. This law anticipates state-subsidized salary contributions for employers that will increase salaries of their workers.¹⁷⁵

Based on reforms made in the course of 2019, it could be concluded that MLSP actively works on reforming social policy and employment. A quality overview of these policies cannot be made from today’s time distance, but the preparedness for reforms in these two fields is evident.

As regards civil society participation in policy creation, the social partners, business community and civil society organizations actively participated in reforms adopted in the course of 2019. The Ministry of Labour and Social Policy’s openness to cooperation with all actors could be taken as role model for civic participation in policy-making. Another positive step is seen in availability of information hosted on this institution’s website, which facilitates access to information for citizens, but also for the civil society.

Policies in the field of gender equality

Under the sector-wide approach to policy creation, gender equality is treated as cross-sectoral theme that should be represented in development of all policies. In the last period, the Ministry of Labour and Social Policy, as the ministry competent for topics related to gender equality, actively worked on specific and cross-sectoral approach to gender equality in policies created and adopted.

Hence, gender equality plays an important role in the realm of social protection and employment policies, especially in action plans and

¹⁷³ Law on Amending the Law on Minimum Salary in the Republic of North Macedonia, adopted on 12.6.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/%D0%97%D0%B0%D0%BA%D0%BE%D0%BD%20%D0%B7%D0%B0%20%D0%BC%D0%B8%D0%BD%D0%B8%D0%BC%D0%B0%BB%D0%BD%D0%B0%20%D0%BF%D0%BB%D0%B0%D1%82%D0%B0%20%D0%BC%D0%BA.pdf>

¹⁷⁴ Law on Amending the Law on Minimum Salary in the Republic of North Macedonia, adopted on 14.11.2019, available at: shorturl.at/mosPZ

¹⁷⁵ Law on Subsidies for Mandatory Social Insurance Contributions for Salary Increase, available at: shorturl.at/IE259

specific measures targeting women in the state. On the other hand, from 2017 when the Istanbul Convention¹⁷⁶ was ratified, the Ministry of Labour and Social Policy initiated active efforts for drafting new Law on Protection and Prevention of Violence against Women and Domestic Violence in the Republic of North Macedonia. This process was finalized in 2019, with public consultations organized around the aligned proposed law, but the same was not put on the Parliament's agenda prior to its dissolution in the wake of the early parliamentary elections.

It could be concluded that, on one side, by this example of policy creation aimed at gender equality MLSP actively relies on strategic commitments and its capacity to create central measures and strategies on gender equality and, on the other side, it uses key methods for drafting and changing key legislation. Unfortunately, changes to the Law on Protection and Prevention of Violence against Women and Domestic Violence were not completed in 2019.

Policies in the field of education

Key strategy document in the field of education is the Education Strategy 2018 – 2025.¹⁷⁷ Namely, this document lays down strategic goals of the Government and the Ministry of Education and Science in respect to education development by 2025, starting from preschool and ending with adult education. The strategy's text was not subject of changes in 2019, but it is still important document in the context of education development.

As regards legislative solutions, while efforts in 2018 were geared towards the Law on Higher Education,¹⁷⁸ in 2019 MES worked to improve laws on primary and secondary vocational education. In particular, the new Law on Primary Education was adopted by the Parliament of RNM in August 2019.¹⁷⁹ The new law anticipates greater participation of pupils in decision-making at schools, higher performance standards, support to pupils and parents in regard to professional orientation of pupils, and higher quality of school food. An additional novelty under the

¹⁷⁶ Council of Europe's Convention on Preventing and Combating Violence against Women and Domestic Violence, available at: <https://www.coe.int/en/web/istanbul-convention/home>

¹⁷⁷ Education Strategy 2018 - 2025, Ministry of Education and Science, available at: shorturl.at/fnoBG

¹⁷⁸ Law on Higher Education, adopted on 8.5.2018, available at: http://www.mon.gov.mk/images/documents/zakoni/ZAKON_VISOKOTO_OBRAZOVANIE-final.pdf

¹⁷⁹ Law on Primary Education, adopted on 5.8.2019, available at: <http://www.slvesnik.com.mk/Issues/dc070a58a138483aa68da4517a10ac1e.pdf>



law is the mechanism on reporting discrimination in primary schools, whereby school principals are mandated to report such cases. As regards changes to the Law on Vocational Education and Training, MES introduced new concept for regionalization of secondary vocational education.¹⁸⁰ Namely, by means of new legislation MES aims to create regional vocational education and training centres that would ensure greater quality in knowledge transfer to students, preparing them for the labour market. According to these changes, MES already plans to use EU funds under IPA to create such centres and to equip their premises, including teaching staff at vocational schools.¹⁸¹ Third crucial law that underwent changes in 2019 is the Law on Teachers and Expert Associates in Primary and Secondary Schools.¹⁸² According to MES, this law aims “to ensure conditions for continuous advancement of teachers and expert associates and to facilitate their carrier development throughout their job tenure”.¹⁸³

In 2019, changes were made to the Law on Pupils’ Standard, and two rounds of changes were made to the Law on Students’ Standard. As regards changes to the Law on Pupils’ Standard, they are primarily of technical nature and anticipate possibility for the Ministry of Education and Science to transfer funds for ongoing costs of pupils.¹⁸⁴ The first round of changes to the Law on Students’ Standard was adopted by the Parliament of RNM in January 2019¹⁸⁵ and they concerned adjustment of shares for student scholarships. The second round of changes, adopted by the Parliament of RNM in June 2019¹⁸⁶ concerned the method of management at student dormitories, i.e. definition of management posts at student dormitories. Hence, students living at

¹⁸⁰ Law on Amending the Law on Vocational Education and Training, adopted on 27.12.2019, available at: <https://www.pravdiko.mk/wp-content/uploads/2013/11/Zakon-za-izmenuvane-i-dopolnuvane-04-01-2020.pdf>

¹⁸¹ Monitoring of the sector working group on education, employment and social policy, June 2020

¹⁸² Law on Teachers and Expert Associates in Primary and Secondary Schools, adopted on 30.7.2019, available at: <https://www.pravdiko.mk/wp-content/uploads/2019/09/Zakon-za-nastavnitsite-i-struchnite-sorabotnitsi-vo-osnovnite-i-srednite-uchilishta-05-08-2019.pdf>

¹⁸³ “Parliaments Adopts New Law on Primary Education and Law on Teachers and Expert Associates”. Radio YEF, published on 31.7.2019, available at: <https://www.radiomof.mk/sobranieto-go-izglasava-noviot-zakon-za-osnovno-obrazovanie/>

¹⁸⁴ Law on Amending the Law on Pupils’ Standard, adopted on 29.1.2019, available at: <https://www.pravdiko.mk/wp-content/uploads/2013/11/Zakon-za-dopolnuvane-30-01-2019.pdf>

¹⁸⁵ Law on Amending the Law on Students’ Standard, adopted on 29.1.2019, available at: <https://www.pravdiko.mk/wp-content/uploads/2013/11/Zakon-za-izmenuvane-i-dopolnuvane-30-01-2019-3.pdf>

¹⁸⁶ Law on Amending the Law on Pupils’ Standard, adopted on 12.7.2019, available at: <https://www.pravdiko.mk/wp-content/uploads/2013/11/Zakon-za-izmenuvane-i-dopolnuvane-18-06-2019-2.pdf>

individual dormitories are now able to select their representative in the student dormitory's management.

Antidiscrimination policies

Although it does not necessarily belong within the realm of social protection, employment or education, the Law on Prevention and Protection against Discrimination has an important role in protection of citizens in the state. The Ministry of Labour and Social Policy, in cooperation with civil society organizations, drafted the Law on Prevention and Protection against Discrimination that was adopted by the Parliament of the Republic of North Macedonia in May 2019.¹⁸⁷ The new law anticipated advancement of standards for protection and prevention against discrimination, and was fully aligned with the EU *acquis* and international standards.¹⁸⁸ The law is exceptionally important in respect to guaranteeing the rights of all citizens, but more specifically for those that are daily exposed to discrimination “on the basis of [their] race, skin colour, origin, national or ethnic origin (for example, small ethnic communities in the country), sex, gender, sexual orientation, gender identity, belonging to a marginalized group, language, citizenship, social origins, religion or faith, political affiliation, other beliefs, age, family or marriage status, property status, health status, personal capacity or societal standing, or any other bases”.¹⁸⁹ In other words, this specific approach represented a very important step towards guaranteeing legal security and protection of citizens. Although they were involved in creation of this law, civil society organizations expressed dissatisfaction with the long process for its adoption. In particular, more than one year has passed from the moment when this law was presented to the Parliament of RNM and its final adoption.¹⁹⁰ In spite of the fact that the law was finally adopted, the Constitutional Court of the Republic of North Macedonia revoked the law on the grounds of procedural errors in its adoption at the Parliament of RNM. These errors primarily concerned inadequate majority vote for adoption of the law, on the grounds of which the law

¹⁸⁷ Law on Prevention and Protection against Discrimination, adopted on 16.5.2019, available at: <http://mtsp.gov.mk/content/pdf/zakoni/2019/27,5-Zakon%20za%20zastita%20od%20diskriminacija.pdf>

¹⁸⁸ Presentation of the proposed law by the Minister of Labour and Social Policy, June 2018, available at: <https://akademik.mk/noviot-zakon-za-sprechuvane-i-zashtita-od-diskriminatsija-prezentiran-vo-mtsp/>

¹⁸⁹ Article 5 of the Law on Prevention and Protection against Discrimination, not in effect

¹⁹⁰ “CSOs Demand Urgent Adoption of the Proposed Law on Prevention and Protection against Discrimination, published on 28.2.2019, available at: <https://akademik.mk/noviot-zakon-za-sprechuvane-i-zashtita-od-diskriminatsija-prezentiran-vo-mtsp/>

was revoked.¹⁹¹ All these left a legislative gap in protection of citizens against discrimination.



Sector Working Group on Education, Employment and Social Policy



The sector working group on education, employment and social policy was formed in 2015. The Ministry of Labour and Social Policy (MLSP) and the Ministry of Education and Science (MES) are responsible for its operation and their respective ministers chair the sector group's meetings. In its work, this sector group is guided by the rules of procedure adopted, while its membership is regulated under the decision on establishment. Members of this sector group include representatives from state institutions with competences in this area, donor community and the civil society. A total of eighteen (18) civil society representatives participate in work of this sector group, with the status of members. In 2019, this sector working group held two plenary sessions, on 20.9.2019 and 19.12.2019.

Functionality and civil society participation in the sector working group on education, employment and social policy

The sector working group on education, employment and social policy was formed by means of government decision taken on its 65th session held on 31.3.2015 and was amended on the 78th session of the Government of the Republic of Macedonia held on 8.6.2015.¹⁹² According to government decisions, the Ministry of Labour and Social Policy (MLSP) and the Ministry of Education and Science (MES) are reasonable and competent to manage this sector group. The sector working group initiated its work by holding coordinative meeting in November 2015.

¹⁹¹ Decision by the Constitutional Court of the Republic of North Macedonia, Decision no. 115/2019-1 from 14.5.2020, available at: <http://ustavensud.mk/?p=19246>

¹⁹² In 2015, session agendas and conclusions of the Government of RNM were not published and were not made publicly available.

This sector working group has developed own rules of procedures that regulate its composition, policy areas and competences, as well as rights and obligations of sector group co-chairs and members, method of work and involvement of stakeholders in work of the sector working group.¹⁹³ In its essence, this sector working group represents interdepartmental forum for policy dialogue in the areas of education, employment and social protection and for assessments of progress in this sector. It means that key policies in this sector are reconsidered, discussed and additionally defined in compliance with comments made by the sector group members. Moreover, the sector working group serves as forum for setting priorities that will be financed by the European Union and for monitoring their implementation and coordinating the overall donor assistance.¹⁹⁴

According to the rules of procedure, competences of the sector working group on education, employment and social policy include: formulation and implementation of national policies, use of foreign aid for the Republic of North Macedonia, work of the National Investment Committee, and tasks related to EU integration. Each group of competences has specific explanation and is covered with additions to procedures and tasks of the sector working group. Namely, in regard to formulation and implementation of national policies, the sector working groups holds the following competences:

- The sector working group is coordination body, at expert level, for development of national strategy documents and developmental programs in the sector. Other coordination bodies for these purposes will be formed only in justified cases when the sector working group is unable to deliver tasks related to this type of strategies and developmental programs.

¹⁹³ The rules of procedure for the sector working group on education, employment and social policy, available at: <http://mtsp.gov.mk/content/pdf/dokumenti/2019/rabgrupa/IPA%20II%20SWG%20EESP%20Rules%20of%20Procedures%20mkd.pdf>

¹⁹⁴ Explanation about the sector working group on education, employment and social policy, Ministry of Labour and Social Policy, available at: <http://mtsp.gov.mk/srg-obrazovanie-vrabortuvanje-i-socijalna-politika.nsp>



- | In this capacity, the sector working group will:
 - ◆ elaborate proposals on the contents of sector and cross-sector policies, strategies and developmental programs in policy areas covered under its competences;
 - ◆ provide monitoring and evaluation of progress in implementation of the Employment and Social Policy Reform Programme 2020 (ESRP 2020), develop and reconsider reports on implementation and progress, and perform other tasks related to the process for monitoring and evaluation of progress in this sector;
 - ◆ ensure drafting of relevant planning documents;
 - ◆ contribute to identification, formulation and setting priorities under developmental goals, measures and projects for implementation of national policies and strategies in this sector;
 - ◆ support work of authorities competent for implementation of sector policies, strategies and programs, in advisory capacity;
 - ◆ take action together with partner organizations, i.e. social partners, local authorities and representative civil society organizations, such as monitoring committees for planning documents in the sector.¹⁹⁵

According to these competences and in compliance with article 4 of the rules of procedure, this sector group has a specific role in development of strategy and planning documents related to policies in the areas of education, employment and social policy. This indicates the importance of participation by social partners, civil society organizations and other stakeholders, all of which can directly contribute to development, reconsideration and advancement of policies in these sectors.

According to article 5 of the rules of procedure, the sector working group is given following competences in regard to use of foreign assistance in the Republic of North Macedonia:

- | In order to ensure full integration and synergy among national policies of the government and use of foreign assistance in the Republic of Macedonia provided by donors and creditors, the sector working

¹⁹⁵ The rules of procedure for the sector working group on education, employment and social policy, available at: <http://mtsp.gov.mk/content/pdf/dokumenti/2019/rabgrupa/IPA%20II%20SWG%20EESP%20Rules%20of%20Procedures%20mkd.pdf>

- group will pursue interdepartmental coordination for programming, monitoring and evaluating foreign aid, similar to obligations enlisted under article 4 in respect to national strategies.
- Notwithstanding the rules applicable for different donor programs and instruments, tasks of the sector working group in relation to foreign aid include:
 - ◆ developing multiannual and annual strategic documents relevant for programming, including (but not limited to) sector planning documents, operational programmes and action documents in the context of IPA II;
 - ◆ ensuring transparency and broad participation of relevant partners and actors in all stages of the planning process;
 - ◆ examining possibilities for national co-funding in proposed donor programs and projects;
 - ◆ advisory support to authorities competent for implementation of donor programs and projects;
 - ◆ support, on request of the Secretariat for European Affairs and IPA monitoring committee, and with participation of partner organizations, when relevant, for monitoring donor programs and projects, reconsidering evaluation reports and proposing measures for elimination of problems and implementation of recommendations from evaluators;
 - ◆ detecting possible shortcomings, problems and risks in programming of donor programs and projects, and proposing measures to competent institutions for their resolution;
 - ◆ improving cooperation and exchange of work experiences, drafting recommendations and opinions in relation to IPA II programming and other foreign developmental aid;
 - ◆ coordinating and harmonizing foreign aid and national strategies in the programming process.¹⁹⁶

¹⁹⁶ The rules of procedure for the sector working group on education, employment and social policy, available at: <http://mtsp.gov.mk/content/pdf/dokumenti/2019/rabgrupa/IPA%20II%20SWG%20EESP%20Rules%20of%20Procedures%20mkd.pdf>



These provisions give the sector working group a unique opportunity to monitor, participate and make recommendations within its subsectors, i.e. to coordinate with the donor community, in order to identify possibilities for support of programs in this sector and to secure additional funds for specific sectors (education, employment and social policy).

Tasks related to the EU integration process:

- When relevant and on request of the Secretariat for European Affairs or relevant NPAA working group, the sector working group supports development and monitoring of the National Programme for Adoption of the EU Acquis and other tasks relates to the Republic of North Macedonia's EU integration;
- The sector working group ensures that proposals for formulation of sector policies and developmental programs, as well as implementation of donor assistance, are in compliance with relevant EU integration policies of the Government of the Republic of North Macedonia.

According to these competences and tasks, the sector working group has specific opportunity to participate in development and utilization of infrastructure investment projects, which allows securing additional funds for these sectors. In addition, the sector working group has a specific role in following and preparations for adoption of the EU acquis under Chapter 2: Free Movement of Workers; Chapter 19: Social Policy and Employment; Chapter 26: Education and Culture; and Chapter 28: Public Health.¹⁹⁷

According to these competences and tasks of the sector working group, it is evident that its scope of work is great, not only in terms of the spectrum of sectors covered, but also in terms of specific policies and stakeholders. This gives rise to the need for the rules of procedure to define its membership, chairing and co-chairing duties.

According to the rules of procedure, the sector working group has two co-chairs and two secretaries from lead ministries, and sector group members. Although the rules of procedure anticipate the sector group co-chairs to be appointed by line ministers that manage the relevant ministries, in 2018 this approach was changed and raised to higher

¹⁹⁷ Annex 2 to the rules of procedure for the sector working group on education, employment and social policy, available at: <http://mtsp.gov.mk/content/pdf/dokumenti/2019/rabgrupa/IPA%20II%20SWG%20EESP%20Rules%20of%20Procedures%20mkd.pdf>

level, i.e. to the level of ministers. Hence, line ministers became co-chairs of the sector working group. Having in mind this situation, the line ministers, i.e. the sector group co-chairs appoint secretaries to the sector working group.

Membership in the sector working group is open to representatives outside the executive government. Pursuant to article 3, item 3, the sector working group can involve “independent representatives from other relevant organizations (such as economic, social, academic and civil society organizations)”. According to this organizational setup, in 2016 and 2017 representatives from the Ministry of Labour and Social Policy and the Ministry of Education and Science consulted civil society organizations through thematic consultation events and sharing information. Additionally, in the first half of 2017, the ministries organized consultations with organizations that have applied for the sector on education, employment and social policy on the open call announced by the Secretariat for European Affairs, as well as with organizations that implement projects under the IPA Component IV. These meetings were aimed to determine the method for selection of certain number of civil society representatives that would join work of this sector group. However, due to fragmentation within the civil society, it has been decided to organize broader consultations instead of appointing direct representatives of the civil society. In 2017, the IPA II Mechanism conducted a selection procedure for representatives in the sector working group on education, employment and social policy, thereby opening the possibility for direct participation of civil society members.¹⁹⁸

A more significant change to sector group membership took place in the beginning of 2018, when both ministries established direct contacts with relevant thematic civil society platforms.¹⁹⁹ In 2018, the sector working group held a total of three (3) meetings, at which civil society representatives were allowed to take part in its work.

In 2019, the approach to nomination of civil society members was changed. In particular, the ministry addressed the Council for Cooperation with and Development of the Civil Society, as advisory body to the Government of the Republic of North Macedonia, with

¹⁹⁸ Responses to questions addressed to employees in the Ministry of Labour and Social Policy’s Department for EU Integration and International Cooperation.

¹⁹⁹ Thematic platforms related to policy areas that are covered by this sector working group. The civil society organizations contacted to nominate their representatives were: IPA II Mechanism, Macedonian Platform for Fight against Poverty, Platform for Gender Equality, Coalition “Sexual and Health Rights of Marginalized Communities”, National Network to End Violence against Women and Domestic Violence.



a request to nominate its members in the sector working group on education, employment and social policy.²⁰⁰ Additional invitations for participation were addressed to organizations of employers and trade unions. However, these members are considered additional civil society representatives, primarily because the sector working group and the ministries continue to invite to meetings only civil society representatives that participated in its work in 2017 and 2018.²⁰¹

Actually, the civil society – in broader sense of the word, when accounting for organizations of employers and trade unions - participates in work of this sector group with 18 representatives from total of 133 representatives that have taken part at meetings of this working group to present.²⁰² The civil society organizations which, according to the decision, participate in work of this sector working group are: Foundation “Step by Step”; Nansen Dialogue Center – Skopje; Macedonia Civil Education Center (MCEC); Health Education and Research Association – HERA; Association “Humanity”; Resource Centre; Foundation Open Society – Macedonia; Coalition of Youth Organizations – SEGA (NOW); Association of Trade Unions of Macedonia; Association of Independent and Free Trade Unions; and Foundation Agro Center for Education. Some of these organizations/trade unions have more than one representative in the sector working group on education, employment, and social policy.

In addition to civil society representatives, members in this sector group are representatives from other executive government institutions. Most often, they are representatives from the State Statistical Office, Employment Service Agency, National Agency for European Educational Programmes and Mobility, and other relevant institutions in this sector. In addition, the donor community actively participates in meetings of the sector working group, which increases the number of participants at these meetings.

²⁰⁰ Request from MLSP to the Council for Cooperation with and Development of the Civil Society, available at: <https://www.nvosorabotka.gov.mk/?q=mk/node/317>

²⁰¹ Internal mailing list of the sector working group, provided in electronic format

²⁰² Internal mailing list of the sector working group, provided in electronic format

Capacity of civil society organizations in the sector working group on education, employment and social policy

This organizational setup shows that the rules of procedure for this sector working group are respected only in regard to the section applicable, but additional mechanisms are designed to allow fresh changes for participation of civil society representatives. Meetings are led by the sector group co-chairs, i.e. minister of education and science and minister of labour and social policy, with discussion topics and agenda being announced together with the meeting invitation. It should be noted that, for the first time, the Council for Cooperation with and Development of the Civil Society was addressed as relevant formal consultation mechanism of the government for civil society participation, thereby using the internal institutional possibility for nomination of civil society members. However, frequent changes to the method for selection, contacting and inviting civil society representatives often lead to confusion about who are actually official representatives and members of the sector group. Actually, this was indicated in the civil society conclusions from the sector-wide consultations on the topic *“Improving the Structural Dialogue between Institutions and Civil Society in the EU Accession Process”*, held on 20th November 2019,²⁰³ and organized by the project “CSO Dialogue – Platform for Structural Participation in EU Integrations”.

In the course of 2018 and early 2019, civil society representatives issued remarks stressing that relevant documents are often unavailable for sufficient period of time before sessions, which limits possibilities for quality comments about the documents reconsidered. These shortcomings were addressed in the second half of 2019 (more information is given below, under the report section titled “Meetings held in 2019”).

The minutes, agendas and presentations from meetings of the sector working group are published on the Ministry of Labour and Social Policy’s official website.²⁰⁴ This represents a good practice in terms of availability of information related to the sector working group and activity of ministry departments competent to support the sector working group.

²⁰³ Sector-wide consultations on the topic *“Improving the Structural Dialogue between Institutions and Civil Society in the EU Accession Process”*, available on: <https://bit.ly/3c3rmyO>

²⁰⁴ Minutes, presentations and the rules of procedure for the sector working group are available at: <http://mtsp.gov.mk/srg-obrazovanje-vrabortuvanje-i-socijalna-politika.nspx>



Meetings held in 2019 and civil society participation

In 2019, the sector working group held two official sessions, thereby meeting the condition from the rules of procedure for organization of at least two sessions per year. Additionally, another meeting was organized to establish more efficient methods of communication between the civil society and two competent ministries, organized by the latter. At this meeting, the civil society was able to directly address needs for more effective exchange of information, key documents and additional possibilities for cooperation within the sector working group. Moreover, two meetings were organized for the need of this sector working group by the project “CSO Dialogue – Platform for Structural Participation in EU Integrations”.

The first session for 2019 was held on 20th September, at the plenary hall in the Government of the Republic of North Macedonia. Announcement for this meeting was submitted eight days prior to its scheduled date, together with the agenda on key topics of discussion. Conclusions inferred by civil society organizations at this session concerned lack of additional documents on topics discussed. Namely, according to the agenda, the meeting was organized around two thematic issues, those being: presentation and discussion of the sector working group’s Performance Assessment Framework and 2019 programs developed by line ministries. Prior to this meeting, the civil society representatives were not given access to additional information about these documents, which limited their possibility for active and quality participation in discussions.

Specific policies discussed at the meeting included programming documents „EU for Youth“ and „EU for Inclusion“, as well as both specific policies for which EU funds were used, those being: “Youth Guarantee”²⁰⁵ and “Regional Vocational Education Centres”.²⁰⁶ Moreover, discussions concerned preparations for revision of the Employment and Social Reform Programme 2020,²⁰⁷ having in mind that the same will expire in 2020.

²⁰⁵ Introduction of Youth Guarantee, Прес-конференција на МТСП, Царовска: Проблемите ги решаваме трајно, преку низа темелни реформи, http://www.mtsp.gov.mk/april-2018-ns_article-pres-konferencija-na-mtsp-carovska-problemite-gi-reshavame-trajno-preku-niza-temelni-reformi.nsp

²⁰⁶ Decision from the 164th session of the Government of the Republic of North Macedonia, 13th November 2019, agenda item no. 47, available at: <https://vlada.mk/sednica/164>

²⁰⁷ 2020 Employment and Social Reform Programme, available at: [http://www.mtsp.gov.mk/content/word/esrp_dokumenti/ESRP%20Makedonija%20-%20final%20\(MKD\).pdf](http://www.mtsp.gov.mk/content/word/esrp_dokumenti/ESRP%20Makedonija%20-%20final%20(MKD).pdf)

After presentation of separate thematic units, the floor was open for discussion of content that was presented. As regards the performance indicators, speakers emphasized that whenever available gender-desegregated data should be integrated in relevant indicators, primarily because policies have different effect on men and women. The proposal was accepted by the ministries, which announced that, whenever possible, such indicators will be integrated in order to obtain and monitor such data. Additionally, the Minister of Labour and Social Policy stressed that competent ministries integrate gender equality policies in development of their strategy documents.

Also, it was concluded to organize separate meeting among competent ministries (MES and MLSP) with representatives from civil society organizations, in order to reconsider new mechanisms for better, more efficient and meaningful communication between ministries and the civil society.

The desire for and initiation of this meeting deepened possibilities for civil society organizations to be informed about strategy documents that are under development at the ministries, and plans are for these documents to be reviewed at the sector group's second meeting in 2019. The meeting titled "Improving the Civil Society Participation in the Sector on Education, Employment and Social Policy" was held on 11th November 2019. This meeting was attended by civil society organizations that are members of the sector working group, but also a broader scope of organizations interested in policy areas covered by this sector group. The civil society organizations offered specific tools and mechanisms for in-depth consultations with the civil society for important strategy documents, such as the Employment and Social Reform Programme. This approach to individual meetings and deepened thematic areas amount to good practices for confidence-building and timely problem-resolution within the sector working group. Moreover, it ensured a more meaningful participation of the civil society at the second meeting in the year and allowed access for additional number of civil society organizations to present and share their opinions.

Prior to organization of the second plenary session for the sector working group on education, employment and social policy, as part of cooperation with the project "CSO Dialogue – Platform for Structural Participation in EU Integrations", on 12th December 2019, line ministries and the project team organized a meeting with participation of MES and MLSP representatives and civil society organizations for more detailed familiarization with documents and agenda for the next plenary session. In addition to information dissemination, the meeting



included discussions aimed to improve documents prior to the plenary session. This allowed longer period of time for civil society organizations to develop their comments, to be timely informed and to engage in direct discussion with creators of these documents.

The second official meeting for 2019 was held on 19th December, at the plenary hall in the Government of the Republic of North Macedonia. Meeting invitation and agenda were neatly submitted, in compliance with the rules of procedure, i.e. 10 days before the plenary session. Documents announced for discussion at this session were made available to civil society organizations as early as 12th December.

The plenary sessions included discussion about the “Review to 2020 Employment and Social Reform Programme” and additional indicators related to monitoring the programme’s implementation and final performance indicators for the sector working group. Except for the possibility to make remarks and comments at the meeting, civil society organizations and their representatives were also able to submit additional remarks in electronic format after completion of relevant consultations, while representatives from MLSP and MES were able to integrate them in relevant documents. After presentation of the documents, discussion was opened and stressed the need for detailed gender-desegregated data that could be secured from both international and domestic civil society organizations. Moreover, it was concluded that civil society organizations may submit their comments after the meeting, i.e. by 25th December as the cut-off date for development of these documents, after which they will be sent for adoption by the Government of the Republic of North Macedonia. At its 174th session, held on 28th December 2019, the Government of the Republic of North Macedonia adopted the information on Revised Employment and Social Reform Programme 2022, which completed the process for development, consultation and adoption of this strategy document.²⁰⁸ The final document took into consideration and integrated portion of comments put forward by civil society organizations. Actually, civil society organizations actively participated at all meetings and sessions organized for the needs of this sector working group in order to improve documents and indicators that will be used to monitor future reforms in this policy area.

²⁰⁸ Agenda and minutes from the 174th session of the Government of RNM, available at: <https://vlada.mk/sednica/174>

Effects from work of the sector working group on education, employment and social policy

Monitoring of this sector working group in 2019 allowed several conclusions to be inferred. As regards the civil society participation, this sector working group demonstrates interest in listening to the voice of their representatives. Progress in terms of civil society participation is noted from the beginning of the year, when comments were aimed at information dissemination to civil society representatives, while by the end of the year it evolved into meaningful contribution to strategy documents, with direct possibility for comments, improvements and elaboration of documents. In addition, the civil society had the opportunity to perceive the overall capacity related to competences of this sector working group, i.e. to see, monitor and participate in the entire cycle for creation of strategy documents at the ministries. Hence, these positive examples could provide an important stimulus to encourage interest among civil society organizations to participate in sector working groups. Actually, this approach could be a positive example for the sector-wide approach and sector working groups in terms of improving their work and dialogue under this formal mechanism for consultations. Nevertheless, it was noted that in some situations the competent ministries could demonstrate greater proactivity, information and communication in order to ensure greater involvement of civil society organizations. Moreover, the possibility offered by specific projects for additional consultations with civil society organizations beyond formal plenary sessions is also important. It could be expected for this possibility to result in greater sensitivity, information and activity on the part of civil society organizations. Furthermore, these practices allow greater involvement, knowledge and proactivity of civil society organizations, which also increases quality of their participation. Also, it could be concluded that gender equality is an important element of strategy documents reconsidered in 2019, with the possibility to be improved, especially in terms of performance analysis and evaluation. On several occasions, representatives from civil society organizations indicated they are available for compilation of gender-sensitive data and additional involvement in training and analysis of such documents, which remains to be utilized in the next years.



Recommendations for the sector working group on education, employment and social policy

Having in mind the organizational setup of the sector working group on education, employment and social policy, it could be concluded that civil society organizations are interested and willing to participate in its work. Relevant to the scope of this sector, there is high number of interested organizations with different expertise and different work topics. This potential should be used and the thematic approach to work should continue, but with timely information dissemination and proactivity on the part of competent ministries (MES and MLSP).

Hence, the sector working group should reconsider the following recommendations:

- To establish single and purposeful method for appointment of civil society representatives through adequate changes to the rules of procedure for this sector group;
- To promote development of gender-sensitive policies and indicators under strategy documents and documents on monitoring effectiveness of policies and institutions;
- To timely share draft strategy documents with civil society representatives at meetings and sessions, following the example set in 2019;
- To clearly define members of the sector working group, with information to all stakeholders about civil society organizations that are formal members and those that are additionally invited, but do not have the status of members;
- To continue good practices for previous consultations with civil society representatives about strategy documents prior to holding plenary sessions. This could be pursued through the civil society platform “Dialogue to EU”, as was the case in the second half of 2019; and
- To establish a system for information dissemination about remarks and proposals received and integrated in documents.





ENHANCING THE SECTOR-WIDE APPROACH THROUGH FORMATION OF NEW SECTOR WORKING GROUPS

The Government of the Republic of North Macedonia designated 2019 as the target year for attainment of fully developed sector-wide approach, which implies existence of national sector policy, national leadership and institutional capacity, inclusive sector coordination among stakeholders, donors and partners for sector budgeting and monitoring framework on medium-term expenditure and achievements.

Hence, in 2019 new sector working groups were formed and cover policy areas different from those that were previously established. They are: sector working group on regional and local development, sector working group on Roma integration, and sector working group on health.

Although these sector groups were not part of the concept for monitoring their work, in an attempt to cover the entire sector approach, the team under the project “CSO Dialogue – Platform for Structural Participation in EU Integrations” also reflects on formation and operation of these sector groups.

10. SECTOR WORKING GROUP ON REGIONAL AND LOCAL DEVELOPMENT

Territorial cooperation is a key instrument used by the EU to support cooperation between partners across the borders, aimed at addressing common challenges and finding joint solutions. Defined as the cohesion policy’s third objective, the European Territorial Cooperation (ETC) is crucial for development of the European Common Area and milestone of the EU integrations. It has a clear European added value, i.e. helps ensure that borders are not barriers, brings together European citizens, assists resolution of



shared problems, facilitates sharing of ideas and means and allows strategic work towards common goals.

Also, sustainable local development needs to be encouraged and prosperity of people and communities in remote and rural areas across the borders that are often economically disadvantaged needs to be increased. In addition, the Western Balkans need to encourage reconciliation and good neighbourly relations, which is particularly important in post-conflict area. Cooperation is also crucial in emergency situation, such as natural disasters, disease or pandemic outbreaks that do not recognize administrative borders. The principle of partnership should be continuously strengthened and different stakeholders (local authorities, civil society organizations, businesses, communities, etc.) should be involved in such cooperation.

The cross-border cooperation (CBC) aims to overcome administrative, legal and physical barriers by encouraging good relations between regions and countries, introducing future member-states with rules and procedures that govern the European Territorial Cooperation under the EU Structural Funds and by promoting sustainable local development.

One of the four objectives²⁰⁹ defined for financial assistance under IPA II is to strengthen regional integration and territorial cooperation.

The IPA II Regulation²¹⁰ enlists that financial assistance mainly addresses five policy areas,²¹¹ one of which concerns socio-economic and regional development, while another policy area is regional and territorial cooperation.

Regional cooperation and good neighbourly relations are basic elements of the Stabilization and Association Process.

To improve economic growth and employment, the Western Balkans have jointly developed a regional strategy²¹² for economic development in Southeast Europe (SEE 2020), supported by series of relevant policy goals, implementation measures and monitoring mechanisms.

²⁰⁹ (a) support for political reforms, (b) support for economic, social and territorial development, (c) strengthening the ability of the beneficiaries to fulfil the obligations stemming from Union membership by supporting progressive alignment with, implementation and adoption of, the Union acquis, (d) strengthening regional integration and territorial cooperation.

²¹⁰ https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial_assistance/ipa/2014/231-2014_ipa-2-reg.pdf

²¹¹ a) reforms in preparation for EU membership and related institution-and capacity-building, b) socio-economic and regional development, c) employment, social policies, education, promotion of gender equality, and human resources development, d) agriculture and rural development, and e) regional and territorial cooperation.

²¹² <https://www.rcc.int/files/user/docs/reports/SEE2020-Strategy.pdf>

Given that funding of regional projects with investment grants disbursed from the national budget is limited, the Republic of North Macedonia can use the Western Balkans Investment Framework (WBIF), as the single instrument that combines loans and grants and provides a mechanism for coordination of priority investments under national and regional projects.

Regional priorities are defined in the IPA II Multi-Country Indicative Strategy Paper,²¹³ which is intended to complement objectives defined under country strategy papers. Regional assistance is structured around four axes, each of them representing a dimension of added value for to cross-sectoral and regional planning, as follows: i) horizontal support to sector policies and reforms; ii) regional structures and networks; iii) regional investment support; and iv) territorial cooperation.

The baseline documents that government implementation of key policies and activities in the sector *regional and local development* is the Program on Sustainable Local Development and Decentralization in the Republic of Macedonia 2015 - 2020²¹⁴. Equitable regional development is one of the most important work segments at the Ministry of Local Self-Government. The Law on Equitable Regional Development provides the basic framework for the policy on equitable regional development in the country and stipulates planning documents for implementation. Planning regions in the Republic of North Macedonia are established as functional territorial units for the needs of planning regional development and implementing measures and instruments to stimulate such development. At its session held on 8 January 2020, the Government of the Republic of North Macedonia adopted the Ministry of Local Self-Government's 2020 Program on Equitable Regional Development as the baseline document in this policy area.²¹⁵ The Strategy on Equitable Regional Development 2009 - 2019²¹⁶ has expired and therefore new strategy document in this area need to be adopted.

In 2019, activities started on amending the Law on Equitable Regional Development. The need to change this law emerged due to inability to attain objectives and priorities under the defined dynamics and timeframe, primarily due to insufficient institutional and financial

²¹³ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-multi-country-indicative-strategy-paper-2014-2020.pdf>

²¹⁴ Program on Sustainable Local Development and Decentralization in the Republic of Macedonia 2015 - 2020, available at: http://mls.gov.mk/images/documents/lokalnasamouprava/MK_WEB/PROGRAMA_MK_WEB.pdf

²¹⁵ 2nd session of the Government of the Republic of North Macedonia, available at: <https://vlada.mk/node/19963>

²¹⁶ Strategy on Equitable Regional Development 2009 – 2019, Ministry of Local Self-Government, available at: <https://bit.ly/2Z4uRRC>



resources of competent institutions and bodies at the level of planning regions.²¹⁷ At the moment, participation of civil society organizations in drafting changes to this law remains unknown.

The Ministry of Local Self-Government is the lead institution responsible for implementation of IPA Component II: Cross-Border Cooperation. To present, it has approved five cross-border cooperation programmes, as follows: CBC Kosovo-North Macedonia,²¹⁸ CBC Bulgaria-North Macedonia,²¹⁹ CBC Greece-North Macedonia,²²⁰ CBC North Macedonia-Albania,²²¹ and CBC Serbia-North Macedonia.²²² At the moment, implementation is underway for the Cross-Border Cooperation Programme between the Republic of North Macedonia and the Republic of Serbia, which the only programme in duration of 4 instead of 7 years.

A total of nine (9) projects are implemented under the Cross-Border Cooperation Programme between the Republic of North Macedonia and the Republic of Albania. In 2019, new open call was announced to finance actions under this programme, and new five (5) projects will start implementation in the course of 2020. The programme is focused on three thematic priorities as defined in the IPA II Regulation, arising from analysis of needs and possibilities, as follows: encouraging tourism and cultural and natural heritage; enhancing competitiveness, business environment, trade and investments, and protecting the environment; promoting climate change adaptation and mitigation, risk prevention and management. For the period 2014 - 2020, the EU allocated 11,900,000 euros in assistance, i.e. 10,710,000 euros for operations under thematic priorities, of which 85% are funds secured by the EU and remaining funds are secured by the Ministry of Local Self-Government, while technical assistance is set in the amount of 1,190,000 euros and is fully covered by the EU.

²¹⁷ Initiation of procedure for the Proposed Law on Amending the Law on Equitable Regional Development, available at: https://ener.gov.mk/Default.aspx?item=pub_regulation&subitem=view_ann_detail&itemid=o2QGRNi78s9WxjFsfN/3IQ==

²¹⁸ Cross-Border Cooperation Programme Kosovo-North Macedonia, available at: https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/the_former_yugoslav_republic_of_macedonia/ipa/2015/2014_-2020_ipa_cbc_kosovo-the_former_yugoslav_republic_of_macedonia.pdf

²¹⁹ Cross-Border Cooperation Programme Bulgaria-North Macedonia, available at: http://mls.gov.mk/images/ipa/Interreg_IPA_CBC_CCI2014TC1615CB006_mk.pdf

²²⁰ Cross-Border Cooperation Programme Greece-North Macedonia, available at: <http://www.ipa-cbc-programme.eu/>

²²¹ Cross-Border Cooperation Programme North Macedonia-Albania, available at: https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/the_former_yugoslav_republic_of_macedonia/ipa/2015/2014_-2020_ipa_cbc_the_former_yugoslav_republic_of_macedonia-albania.pdf

²²² Cross-Border Cooperation Programme Serbia-North Macedonia, available at: http://mls.gov.mk/images/ipa/cbcmksrb/c_2016_8258_f1_annex_en_v1_p1_870324.pdf

The first open call for cross-border cooperation with Serbia was announced in 2019. The budget allocated for this open call amounts to 1,260,000 euros. The Cross-Border Cooperation Programme between the two countries was designed upon detailed analysis of programme areas and findings on state-of-play in both countries. In particular, programme priorities include: promoting employment; labour mobility and social and cultural inclusion across the border; encouraging tourism and cultural and natural heritage, and technical assistance. A total of 4,055,883 euros are allocated for the Cross-Border Cooperation Programme Serbia - North Macedonia, of which 3,500,000 euros are secured from the European Union under IPA, while remaining funds are secured as national co-financing by institutions implementing projects under this programme.²²³

As regards the Cross-Border Cooperation Programme between the Republic of North Macedonia and the Republic of Bulgaria, the second call for proposals was announced in 2018 under INTERREG IPA Cross-Border Cooperation Programme in total value of 6,917,631 euros. In 2019, a total 17 projects were approved, followed by signing of implementing contracts. Among them, six (6) projects are focused on environment promotion, eight (8) projects are intended to promote tourism as branch of economy in both countries, and three (3) projects are focused in the area of *competitiveness*.²²⁴ The programme covers three thematic priorities in compliance with the IPA II Regulation, as follows: environment protection, climate change adjustment and mitigation, risk prevention and management; encouraging tourism and cultural and natural heritage; improving competitiveness, business environment and development of small- and medium-sized enterprises, trade and investment.²²⁵

The Cross-Border Cooperation Programme between the Republic of North Macedonia and the Republic of Greece was built on the following two priority axes that reflect needs and challenges identified: priority

²²³ IPA II Cross Border Cooperation Programme Serbia – North Macedonia, available at: <https://eu.rs-mk.org/about-programme/>

²²⁴ Annual Report on Implementation of the Assistance under IPA, National IPA Coordinator Office in coordination with NAO, management structure, CFCD and contribution from IPA coordinators from the Ministry of Justice, Ministry of Interior, Ministry of Transport and Communication, Ministry of Environment and Physical Planning, Ministry of Local Self-Government, Cabinet of the Deputy Prime Minister for Economic Affairs, Ministry of Agriculture, Forestry and Water Economy, Ministry of Education and Science, Ministry of Labour and Social Policy, Ministry of Information Society and Administration and Ministry of Finance, Skopje, February 2020, available at: <http://www.sep.gov.mk/data/file/Dokumenti/IPA-AR-2019.pdf>

²²⁵ IPA Cross-Border Cooperation Programme Bulgaria-North Macedonia 2014 - 2020, available at: http://mls.gov.mk/images/ipa/Interreg_IPA_CBC_CCI2014TC1615CB006_mk.pdf



axis no.1 – development and support to local economy; and priority axis no.2 – environment protection – transportation. Funds allocated for support to projects under this programme are set in the amount of 45,000,000 euros.²²⁶

The third call for proposals under the Cross-Border Cooperation Programme between the Republic of North Macedonia and the Republic of Kosovo was announced on 29 March 2019 and accounts for total budget of 2,040,000 euros. The third call covers two of the four thematic priorities: thematic priority no.2 – encouraging tourism and cultural and natural heritage, in the value of 840,000 euros; and thematic priority no.3 – environment protection, promoting climate change adaptation and mitigation, risk prevention and management, in the value of 1,200,000 euros.

Sector Working Group on Regional and Local Development



The sector working group on regional and local development was formed in 2019, but its work was suspended the same year. This sector group was again formed in 2019, after the initial meeting held on 20 March. The sector group on regional and local development is coordinated by the relevant line minister. It was formed by relevant decision and own rules of procedure. Members of this sector group include representatives from competent ministries, the Association of Local Self-Government Units (ZELS), academic and donor community, and the civil society. A total of five (5) civil society representatives participate in work of this sector group, with the status of members. In 2019, this sector working group held two plenary sessions, on 20.3.2019 and 19.9.2019.

The sector working group on regional and local development is the only group in the sector on regional and territorial cooperation. It was formed in 2016, but its work was suspended the same year. In 2019, this sector group was formed again after the initial meeting held on 20th March.

²²⁶ INTERREG IPA Cross Border Cooperation Programme Greece - North Macedonia 2014 - 2020, available at: <http://www.ipa-cbc-programme.eu/>

An occasion for the sector group's second formation is the approved project "Regional and Local Development" in the value of 7 million euros, which will be financially supported and implemented by the EU, i.e. IPA II.²²⁷ The project's total budget is planned in the amount of 7,000,000 euros, of which 6,000,000 euros are secured from IPA. The project aims to increase effectiveness, efficiency and public support to local governance and its implementation will start in 2020. The project is directly managed by the EU Delegation, while the Ministry of Local Self-Government will coordinate the process through this sector working group, which includes representatives from competent ministries, ZELS, donor and expert community, representatives from the civil society and business sector. Consequently and in order to comply with criteria for functional sector-wide approach for implementation of IPA 2014-2020, the sector working group on regional and local development was formed.

This sector group is coordinated by the Ministry of Local Self-Government and it is comprised of chair, secretary and members. The sector group chair is the line minister or person appointed by him/her. Members of the sector working group are appointed on proposal from the ministries and non-governmental organizations that have influence in the policy area of regional and local development. The sector group co-chair is representative of the EU Delegation in the Republic of North Macedonia.

This sector working group holds competences in following areas:

- cross-cutting support to sector policies and reforms;
- regional structures and measures;
- support to regional investments (through the Western Balkans Investment Fund); and
- territorial cooperation (through cross-border cooperation).

²²⁷ EU for Municipalities, INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020, Republic of North Macedonia, available at: https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/annexes/2020_ad1_eu_for_municipalities.pdf



The basic document whose content determines the competences of this sector working group is the Program on Sustainable Local Development and Decentralization and the Action Plan 2015-2020.²²⁸

The sector working group on regional and local development was formed by means of decision and has own rules of procedure. These documents ensure regular work of this sector group. According to EU regulations in this policy area and the relevant rules of procedure, civil society organizations are part of the sector working group from 2019, i.e. from the moment of its second formation. In February 2019, the sector working group on regional and local development includes the civil society upon direct invitation from the ministry which addressed the Council for Cooperation with and Development of the Civil Society, as advisory body to the Government of the Republic of North Macedonia, with request for nomination of participants that will participate in work of this sector working group.²²⁹ Additionally, upon invitation from the ministry, the sector working group was joined by representatives from the Macedonian Center for International Cooperation.

Members of the sector working group on regional and local development are determined by means of decision taken by the minister, which enlists members from all institutions, civil society organizations and donor community. This sector working group has a total of 45 members, of which five (5) members are civil society representatives. Moreover, sector group members include representatives from competent ministries, ZELS, academic and donor community, and the civil society. The civil society organizations represented in the sector working group are: Rural Coalition; EKO SVEST; Center for Economic Analyses (CEA); and two representatives from the Macedonian Center for International Cooperation. When the sector group chair deems necessary to change its membership for the purpose of more efficient performance of tasks and responsibilities, he/she can recommend changes to the sector group composition.

The constitutive session of the sector working group on regional and local development was held on 20th March 2019.²³⁰ Items discussed at

²²⁸ Program on Sustainable Local Development and Decentralization in the Republic of Macedonia 2015-2020, available at: http://mls.gov.mk/images/documents/lokalnasamouprava/MK_WEB/PROGRAMA_MK_WEB.pdf

²²⁹ Request for nomination of members to the Council for Cooperation with and Development of the Civil Society, Government of the Republic of North Macedonia, available at: https://www.nvosorobotka.gov.mk/sites/default/files/4.SRG_Lokalen_razvoj.pdf

²³⁰ Constitutional session of the sector working group on regional and local development as part of the EU integration process, Government of the Republic of Macedonia, available at: <https://vlada.mk/node/17224>

this meeting included IPA 2020 Action Document for Support to Local Self-Government.

The sector working group operates by means of meetings to which all member and/or some members responsible for particular areas are invited. The rules of procedure anticipate that the working group should meet at least three times per year. Meetings of the sector working group are convened and moderated by the sector group chair. Meetings can also be convened upon proposal from any member of the sector working group. The proposal is submitted to the chair, who later decides on the need to convene the meeting. Invitations for sector group meetings should include agenda, venue and time, and relevant accompanying materials, when needed, which are submitted in electronic format.

The second meeting of the sector working group on regional and local development was held on 19th September 2019. Items discussed at the meeting concerned formulation and implementation of national sector policies related to the EU integration process, including projects implemented with support from donors and from IPA programmes.

The sector working group is convened upon invitation from the chair. Meeting invitation, together with the draft agenda, is sent by the secretary to all members 10 days before the scheduled meeting. Meetings of the sector working group are opened and moderated by the chair, followed by adoption of the meeting agenda and minutes from the previous meeting.

According to the rules of procedure, depending on the needs and when deemed necessary, the sector group chair may also invite other participants. This approach, depending on the policy area and theme, opens the possibility to invite more stakeholders, especially civil society organizations that could contribute to improved work of this sector working group. The status of civil society organizations that are members of the sector working group is different from the status of those invited to attend plenary sessions, including their rights and obligations, but these possibilities allowed by the rules of procedure make the sector working group open to all stakeholders.

Minutes are compiled from each plenary session, including information on overall discussions per agenda item. In particular, minutes from sector group sessions include time and venue of the meeting, members in attendance, agenda, discussions, conclusions and other relevant information presented at the meeting. Within a deadline of five working days, the secretary submits drafted minutes to all members of the



sector working group, after which they are allowed to make remarks in the next five days. Exchange of materials, information and data among members of the working group is pursued through e-mails. Electronic communication is considered official communication channel among members and other attendees.

According to the rules of procedure, the sector working group is obliged to implement tasks at expert level, especially in regard to formulation and implementation of national sector policies, including those related to the EU integration process, as well as donor assistance in general, and IPA Programme in particular.

In this context, the sector working group is responsible to coordinate:

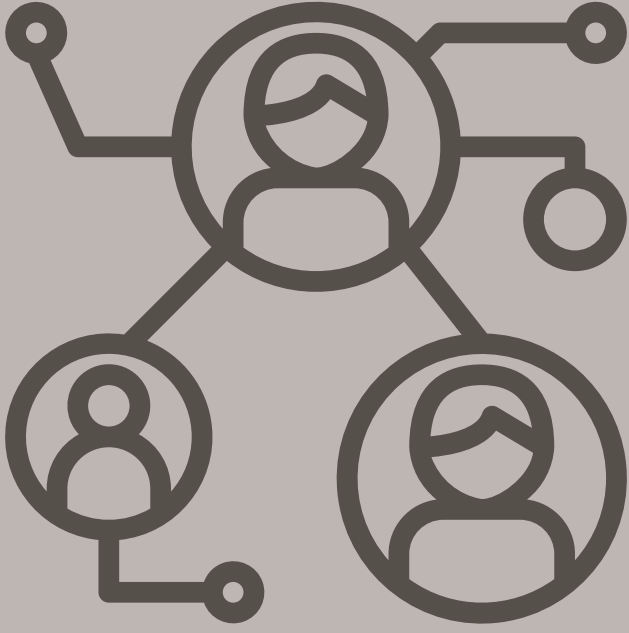
- development of proposals for contents of sector and cross-sector policies, strategies and developmental programs that are relevant for the policy area on regional and local development;
- process for identification, formulation and priority setting for developmental goals, measures and projects on implementation of national sector policies and strategies; and
- adequate support to work of bodies tasked with implementation of indicated policies, strategies and programs.

Also, the rules of procedure stipulate that the sector working group participates in coordination for programming, monitoring and evaluation of foreign aid, as well as in development and monitoring of the National Programme for Adoption of the EU Acquis (NPAA) or other tasks related to the country's integration in the EU. The sector working group implements a major project financed by the European Union (as indicated above). Additionally, 37% of support from the European Union, i.e. 170 million euros, is implemented at local level, through direct projects under the IPA Cross-Border Cooperation Programme, projects implemented by civil society organizations, and projects of other donors that provide significant support to regional and territorial development.²³¹ Hence, the sector working group is an excellent platform to discuss what has been and what will be done, and to develop realistic indicators to measure progress in improving quality of life for citizens.

²³¹ Constitutional session of the sector working group on regional and local development in the EU integration process, statement by Nicola Bertolini, representative of the EU Delegation, available at: <https://vlada.mk/node/17224>

According to the rules of procedure, underlying principles for work of this sector working group include transparency and openness to the public. Hence, it should inform the public about its activities, projects and meetings through the electronic media, but this monitoring showed that stakeholders that are not members or have not been invited to participate in its work are unable to find relevant documents, reports and minutes from sessions of the sector working group on regional and local development on the competent ministry's official website. More information on meetings held by this sector group could be found on the ministry's *Facebook* page, but they only concern sessions held, not documents, minutes and decisions.





11.

SECTOR WORKING GROUP ON ROMA INTEGRATION

The Western Balkans Strategy²³² from 2018 reiterates the importance of Roma integration as part of priorities for promotion of fundamental rights. The EU Framework on Roma Integration (2011-2020)²³³ mandates the European Commission to improve disbursement of assistance under IPA towards strategic and result-oriented programming. The objective on Roma integration is also supported through specific benchmarks for Roma integration in mainstream society and through targeted projects. IPA II assistance takes into consideration the national policy frameworks (Strategy for Roma Integration and Action Plan) and commitments for Roma integration under the EU accession process, as given in Chapter 23.

Essential importance is assigned to social and economic integration of Roma, and therefore the National Strategy on Roma²³⁴ should be implemented in its entirety. Implementation of policies in this field needs to be strengthened, especially through capacity-building and coordination among involved institutions at central and local level. Efforts are needed for greater and proactive implementation of relevant policies, as well as Roma inclusion and involvement at national and local level.

EU support under IPA II is geared towards combating discrimination and marginalization, by improving access to fundamental rights for Roma (documentation, education, employment, housing, healthcare and public services).

²³² https://ec.europa.eu/commission/news/strategy-western-balkans-2018-feb-06_en

²³³ <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A52011DC0173>

²³⁴ <http://www.mtsp.gov.mk/content/pdf/strategii/Strategija%20za%20Romite%20vo%20RM%202014-2020.pdf>



The IPA II Strategy Paper²³⁵ covers issues related to Roma integration under different sectors as follows:

- democracy and governance (civil society);
- fundamental rights; and
- education, employment and social protection (education policy, social policy and inclusion).

Main challenges to Roma integration concern creation of conditions for greater integration on the labour market, providing comprehensive social protection systems that offer minimum funds for decent life; developing programs for continuous education and overcoming early dropping-out from education; improving quality and access to public services, especially to healthcare, social services, housing and transport; overcoming widespread social exclusion and discrimination; and strengthening policies for support to families, social networks and protection of children rights.

In that regard, the 2019 Action Document titled “EU for Inclusion”²³⁶ was drafted and includes one specific outcome related to Roma, i.e. improved housing, education and economic opportunities for Roma and people living in extreme poverty.

Major projects that are currently implemented under IPA II in the Republic of North Macedonia and concern Roma issues are:

- Thematic Evaluation of EU Support to Roma Communities and Roma Social Mapping²³⁷, financed under National IPA II;
- EU4Business: Roma Entrepreneurship and Employment in the Western Balkans and Turkey²³⁸, financed under the Multibeneficiary IPA.

The sector working group on Roma integration is a relatively new sector group. It aims to apply the sector-wide approach to addressing Roma-related issues in the country.

The initial meeting of this sector working group was held on 6 December 2019, and was attended by then-incumbent Minister of Labour and

²³⁵ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>

²³⁶ <http://www.mtsp.gov.mk/content/pdf/dokumenti/ipa/IPA%202019%20MK%20EU%20for%20Inclusion.pdf>

²³⁷ Thematic Evaluation of EU Support to Roma Communities and Roma Social Mapping

²³⁸ EU4Business: Roma Entrepreneurship and Employment in the WB and Turkey

Social Policy Mila Carovska, Minister without Portfolio Responsible for Roma Affairs Muzafer Bajram, Nikola Bertolini from the EU Delegation, representatives from other line ministries, but also international and civil society organizations.

The sector working group on Roma integration is coordinated by the Minister without Portfolio Responsible for Roma Affairs.

Priority policy areas covered by the sector working group on Roma integration concern education, employment, social protection, housing and healthcare, resolution of the long-standing problem related to undocumented people and integration of children in the education process.

The sector working group plans to monitor and evaluate implementation and progress achieved under interrelated policy areas and strategy documents, and to follow all processes. This working group should serve as platform for ideas aimed to improve Roma integration, directly contributing to the overall objective, i.e. attaining higher socio-economic standards for the Roma population.

Sector Working Group on Roma Integration



The sector working group on Roma integration was formed by the end of 2019. The Minister without Portfolio Responsible for Implementation of the National Strategy on Improving the Status of Roma in the Republic of North Macedonia coordinates the work and chairs the meetings of this sector group, in cooperation with the Ministry of Labour and Social Policy. In its work, this sector group is guided by the adopted decision. Members of this sector group include representatives from state institutions with competences in this area, donor community and the civil society. A total of seventeen (17) civil society representatives participate in work of this sector group, with the status of members. In 2019, this sector working group held one plenary session on 6.12.2019.

The new sector working group on Roma integration was formed by the end of 2019 in order to strengthen dialogue and coordination on all issues pertaining to social and economic integration of the Roma population in the Republic of North Macedonia.



The sector working group on Roma integration will serve as interinstitutional forum for cooperation, formulation, implementation and monitoring of national policies. Moreover, the sector working group should ensure coordination of developmental aid from all donors intended for socio-economic (re)integration of Roma, especially assistance from the European Union.

Actually, until formation of this sector working group, issues related to integration and improving the status of Roma were part of the sector working group on education, employment and social policy. However, throughout the years an emphasis was put on the need for having special focus on matters related to Roma integration. In particular, constitutional meeting for the sector working group on education, employment and social policy was held on 4th November 2015, while four years later, encouraged by positive results achieved under the sector-wide approach, decision was taken to support and form additional sector working group on Roma integration, in order to apply the sector approach to resolution of issues related to the status of Roma. Based on recent observations and discussions, it was established that there is lack of improvements in terms of Roma integration in the country.

The sector working group on Roma integration is coordinated by the minister without portfolio responsible for implementation of the National Strategy on Improving the Status of Roma in the Republic of North Macedonia as the lead institution, in cooperation with the Ministry of Labour and Social Policy.

Priority areas for the sector working group on Roma integration remain education, employment, social protection, housing and healthcare, but with special focus on Roma population in the country. Moreover, by establishing adequate mechanisms for monitoring and evaluation of implementation and progress in interlinked policy areas and strategy documents, the sector working group will monitor all processes related to Roma integration. For that purpose, this sector working group will serve as platform that works on ideas to improve integration of Roma, which directly contributes to attainment of the overall goal, i.e. higher socio-economic standards among the Roma population.

The sector working group was founded on plenary session, held on 6th December 2019. This session was attended by 17 civil society organizations that have interest in policy areas under competences of the sector working group, as follows: Institute for Policy Research and Analysis – ROMALITIKO; Association for Democratic Development of Roma “Sun”; NGO KHAM; Association Center for Education Support –

“Dendo Vas”; Habitat Macedonia; Humanitarian and Charitable Roma Association “Moon”; Roma Education Centre UMBRELLA; Foundation Open Society – Macedonia; Association “Initiatives for Social Changes – InSOK; Roma Resource Centre – RRC; Center for Roma Community - DROM; National Roma Centrum - NRC; Association for Roma Community Development - SUMNAL; Health Education and Research Association – HERA; NGO Romaversitas; Initiative for Community Development and Inclusion – IRIZ; and European Policy Institute – EPI.





12. SECTOR WORKING GROUP ON HEALTH

EU assistance in the period before the Instrument for Pre-Accession Assistance, i.e. IPA I²³⁹ and IPA II (2014 - 2020), concerned allocation of funds according to current needs of beneficiary countries, and later the European Commission introduced the so-called “accession-driven” or “acquis-driven” approach. This means that EU assistance could be used only in policy areas that are previously defined by the EU and are in compliance with the EU Enlargement Strategy. That is actually the main difference between the pre-accession instrument and other external aid facilities which, to great extent, need- or demand-driven.

The approach under IPA II differs from those applied by other donors that are traditionally more focused on social and human development, and it aims to reduce scope of overlapping activities with other bilateral or multilateral donors.

More specifically, the EU would rather not provide general assistance to the healthcare sector in candidate countries, having in mind that this sector does not have clear and direct connection to the EU *acquis*. The more a candidate country approaches EU accession, the focus is shifted to projects in less obvious fields that are still *acquis*-related, such as: consumer protection, food quality or regulatory harmonization. Applying the same approach, the IPA Strategy Paper²⁴⁰ covers health under different areas related to accession chapters, as follows:

- e-health;
- healthcare institutions for migrants;

²³⁹ PHARE and other instruments

²⁴⁰ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>



- better access to quality social protection and care services, including healthcare services, especially for vulnerable groups (such as Roma);
- promotion of health and wellbeing among labour force;
- food safety and quality, veterinary and phytosanitary issues;
- social protection and health.

Projects currently implemented under IPA II in the Republic of North Macedonia include:

- Analysis of Secondary and Tertiary Healthcare System Effectives;²⁴¹
- Increase Access to Rehabilitation, Resocialization, Education and Healthcare Services for Children in Correction Facilities;²⁴²
- Transboundary Air Pollution Health Index Development and Implementation.²⁴³

The sector working group on health is a relative new sector group and was formed in order to centrally address issues related to public health policies. The initial meeting of this sector working group was held on 28 February 2020, and it is chaired by Prime Minister Oliver Spasovski, Minister of Health Venko Filipche, Head of Cooperation at the EU Delegation in Skopje Nikola Bertolini, with participation of WHO Regional Director for Europe Hans Kluge, representatives from international institutions, representatives from the civil society and sector group members.

The sector working group is led by the Ministry of Health and it involves representatives from different state bodies and institutions with competences related to implementation of health policies and, when relevant, the sector working group will also include other institutions and civil society representatives.

This sector working group is responsible for setting priorities for funding by the EU and other donors, monitoring their implementation and coordinating the overall foreign aid for development of secondary and

²⁴¹ Analysis of Secondary and Tertiary Healthcare System Effectiveness

²⁴² Increase Access to Rehabilitation, Resocialisation, Education and Health Services of Children in the Correctional Facilities

²⁴³ Transboundary Air Pollution Health Index Development and Implementation

tertiary healthcare in the Republic of North Macedonia. Hence, funds available from different sources will be channelled towards support to national health policies.

Given that the sector group is responsible for donor coordination in this sector, its work includes donors (EU, bilateral donors) and international organizations active in the health sector (such as UN Agencies, World Bank, etc.).

Work of this sector group is of crucial importance and, in the next period, it should define healthcare reform priorities in the Republic of North Macedonia, as well as support to strengthen capacity of the healthcare system. This issue gains in relevance at times of coronavirus outbreak and the need to create better preconditions to combat COVID-19.

Sector Working Group on Health



The sector working group on health was formed in 2020. Its work is regulated by the rules of procedure and the decision on establishment. The Minister of Health is the sector group's chair. Members of this sector group include representatives from state institutions with competences in this area and independent representatives from other relevant organizations, such as economic, social, academic and civil society organizations. A total of seven (7) civil society representatives participate in work of this sector group, with the status of observers. The sector working group's first plenary session was held on 21.2.2020.

The sector working group on health was formed in 2020, as the last twelfth sector working group. Actually, this sector working group represents a forum for interdepartmental cooperation, with mandate to implement tasks, at expert level, in relation to formulation and implementation of national sector policies, including those that are relevant for the EU integration process and use of developmental assistance, in general, and EU assistance under IPA, in particular.

Work and operation of the sector working group on health are regulated by the rules of procedure and the decision on its formation. The rules of procedure were adopted at the first plenary session by all sector group members. The decision on formation of this sector working group is adopted by the minister of health.

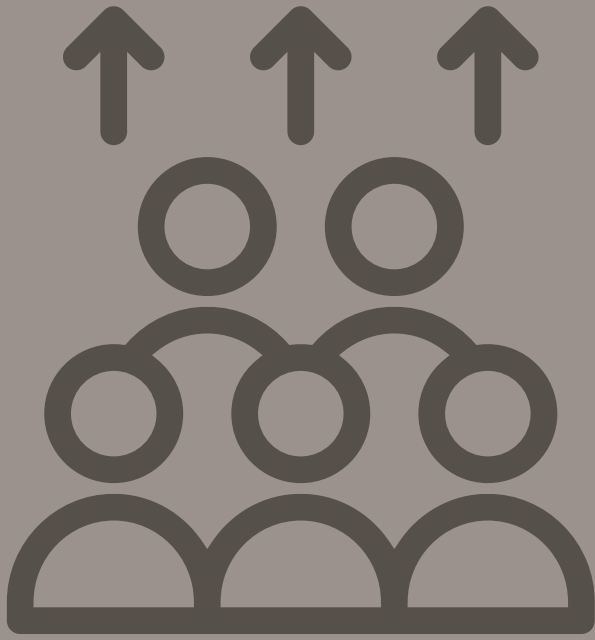


The sector working group on health follows the example of all previously formed sector groups, and therefore its composition includes chair, deputy chair and secretariat (from the Ministry of Health) and members. This sector working group is chaired by the minister of health. Representative from the EU Delegation in the Republic of North Macedonia serves as the sector group co-chair. According to the decision, members of the sector working group are appointed on proposal from ministries that participate in its work. In that, members should be nominated from departments/sectors at relevant ministries that are responsible for formulation of sector policies and management of donor programs. In addition, the sector working group includes independent representatives from other relevant organizations (such as economic, social, academic and civil society organizations). Civil society members in this sector working group have the status of observers. More specifically, a total of seven (7) civil society organizations are represented in the sector working group on health, as follows: Foundation Open Society – Macedonia; Health Education and Research Association – HERA; HOPS - Healthy Options Project Skopje; Association ESE; Center for Regional Research and Cooperation “Studiorum”; Association for Support to People Living with HIV - STRONGER TOGETHER; and Association for Rare Diseases “Life with Challenges”.

When relevant, the chair is authorized to invite other participants when it deems necessary to facilitate work of this sector working group. When necessary and in consultation with members of the sector working group, the chair invites, on temporary or permanent basis, experts with required technical expertise for performance of technical matters related to work of this sector group.

The sector working group on health decides on cooperation with stakeholders (actors). According to the rules of procedure, stakeholders are associations and foundations, non-governmental organizations and other institutions with public authorizations, as well as other legal and natural entities affected by work of this sector group, such as: formulation and implementation of sector policies and strategies or setting priorities and implementation of infrastructure projects. The sector group chair may also involve representatives from stakeholders (as external members).

Initial session of the sector working group was held on 28th February 2020. This plenary session included presentation of main findings from the analysis of secondary and tertiary healthcare system, action plan, and priorities under the Ministry of Health’s project schedule.



ENHANCING CIVIL SOCIETY PARTICIPATION AND THE NEED TO REVISE THE MODEL FOR SELECTION OF CIVIL SOCIETY REPRESENTATIVES IN SECTOR WORKING GROUPS

An empowered civil society is crucial component of any democratic system and an asset in itself. It represents and fosters pluralism and can contribute to creation of more effective policies, equitable and sustainable development, and inclusive growth.²⁴⁴ By articulating the citizens' concerns, civil society organizations that are non-state, non-for-profit structures wherein people organize themselves to pursue shared objectives and ideals,²⁴⁵ are loud in their requests and publicly advocate for needs of their constituents and for strengthening participatory democracy.

Under the Indicative Strategy Paper, the sector-wide approach confirms the need to increase trust of citizens in institutions and to involve civil society organizations in policy development and legislative processes in inclusive and transparent manner.²⁴⁶ As part of the EU accession process, policies are inevitably developed through the process of structural dialogue between civil society organizations and institutions.

Structural dialogue implies shared communication and cooperation among institutions, the civil society and citizens. Purpose of the structured dialogue is for the civil society and citizens to participate in creation of policies that are important for their lives.

The civil society participation contributes to overall progress in the state, striving to ensure transparent, accountable, effective and legitimate governance, better social inclusion and open society. However, the

²⁴⁴ European Commission, *The Roots of Democracy and Sustainable Development: Europe's Engagement with Civil Society in External Relations*, Brussels 2012, pg. 1, available at: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0492:FIN:EN:PDF>

²⁴⁵ Definition taken from the European Commission, *The Roots of Democracy and Sustainable Development: Europe's Engagement with Civil Society in External Actions*, Brussels, 2012

²⁴⁶ Revised Indicative Strategy Paper, pg. 15



public administration's awareness and skills for cooperation with the civil society in inclusive and transparent manner need to be strengthened. On the other hand, the tradition of non-cooperation and lack of trust between institutions and civil society organizations narrow the space for constructive communication. In that regard, the government and civil society organizations should find an organized and predictable way to strengthen cooperation and to emphasize benefits from the established structural dialogue.

As part of the EU accession process, civil society organizations should take active participation in programming, implementation and monitoring of processes and policies. The EU's Indicative Strategy Paper confirms the commitment to improve democratic processes at national and local level and encourages participation of civil society organizations.²⁴⁷ Moreover, this paper refers to the support that will be secured for implementation of the Strategy for Cooperation with the Civil Society, with focus on ensuring representation and participation of the civil society, including organizations on women rights, and enhancing dialogue between the government and the civil society.

In that regard, the sector-wide approach recognizes sector working groups and the Council for Cooperation with and Development of the Civil Society as consultation mechanisms that should organize and ensure dialogue between institutions and civil society organizations.

Consultation mechanisms are bodies formed by the state which include citizens and civil society organizations, in order to impact various public policies and practice the structural dialogue. The council is a consultation mechanism of the government to impact policies for civil society development and improved practices of dialogue and cooperation, while the sector working groups serve as forums for interdepartmental cooperation with mandate to implement national sector policies, including those relevant for the EU integration process.

The analysis in this publication is focused on civil society participation in the sector working groups. Namely, based on the monitoring of state-of-play at sector working groups it could be concluded that civil society participation is regulated differently for different sector groups. The manner in which civil society organizations are involved differs from one to another sector group and is pursued through several different mechanisms:

²⁴⁷ Revised Indicative Strategy Paper, pg. 17

- open call “Open with the Civil Society”, published by the Secretariat for European Affairs, which requested civil society organizations to register and enlist their fields of interest and operation, after which, based on their applications, SEA submitted lists of organizations to competent ministries (per sector) that could be expanded by the relevant ministry, when needed;²⁴⁸
- on initiative from line ministry, i.e. direct communication with particular civil society organizations with request to nominate observers in the sector working group. This communication was based on previous experience and cooperation with organizations profiled in policy areas covered by the specific sector working group;²⁴⁹
- accepting a broader definition for involvement of “non-state actors” by the specific sector working group, which includes civil society organizations, chambers of commerce and the private sector, whereby the responsible authority does not involve civil society organizations, but only engages in cooperation with other non-state actors;²⁵⁰
- according to established procedures for the sector-wide approach under the IPA II Mechanism for Civil Society, whereby civil society organizations are nominated to participate in specific sector working groups and to represent the civil society;²⁵¹
- upon request for nomination of civil society members sent by relevant ministry responsible for particular sector working group to the Council for Cooperation with and Development of the Civil Society, as advisory

248 Sector working group on public administration reform – 12 CSOs with the status of members; sector working group on justice – 8 CSOs with the status of members; sector working group on home affairs – 4 CSOs with the status of members;

249 Sector working group on public finance management – 7 CSOs with the status of observers; sector working group on Roma integration – 17 CSOs with the status of members;

250 Sector working group on competitiveness and innovation

251 Sector working group on transport – 3 CSOs with the status of members; sector working group on agriculture and rural development – 3 CSOs with the status of members



body to the Government of the Republic of North Macedonia;²⁵²

- combination of different mechanisms to ensure civil society participation, i.e. certain ministries use the list provided by SEA and civil society networks that nominate their representatives, while they also address the Council for Cooperation with and Development of the Civil Society to nominate members from the civil society.²⁵³

This monitoring effort allowed the conclusion that there is no unified way for organization and regulation of civil society membership and participation in the sector working groups. Some decisions on formation of relevant sector working groups indicate civil society organizations as full-fledged members, while other decisions enlist them only as observers. Irrespective of their status, in vast number of cases civil society organizations can share their opinions and take part in discussions. What lacks is presence of civil society organizations at technical meetings intended for document preparation and programming, in order to make crucial proposals, while their participation is secured at plenary sessions which include presentation of documents in their final stage, which are rarely subject of changes afterwards. At the same time, many rules of procedure for sector working groups recommend relevant documents to be submitted 14 days in advance, but in reality working documents and agendas for number of sessions were distributed immediately before the sector group meeting, whereby civil society representatives were unable to thoroughly prepare and make constructive contribution at these meetings. In order to ensure successful structural dialogue, sector working groups lack a calendar and plan of events and meetings that would make cooperation more predictable and will secure attendance by all actors.

However, one of key issues in terms of participation in sector working groups is representativeness of the civil society. In the Republic of North Macedonia, vast number of civil society organizations are excluded from consultation mechanisms and do not participate in decision-making under the sector-wide approach. Overview of civil society members appointed by means of relevant decisions for sector working groups provides the conclusion that the number of represented civil

²⁵² Sector working group on regional and local development – 5 CSOs with the status of members

²⁵³ Sector working group on education, employment and social policy – 11 CSOs with the status of members

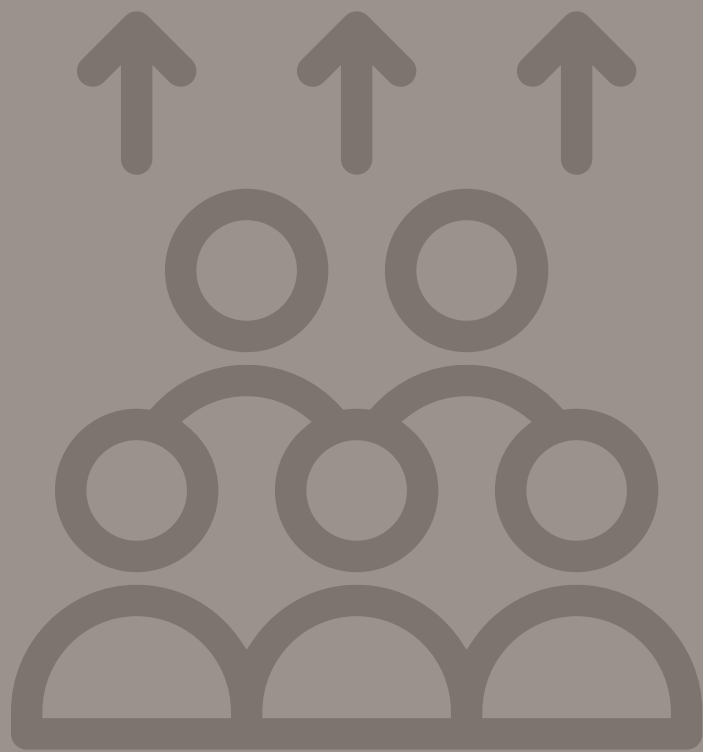
society organizations ranges from 3 to 17, with possibility for other organizations to attend sector group meetings. Based on interviews and focus groups, it could be concluded that institutions believe that the civil society is sufficiently represented at meetings of sector working groups through their appointed members. However, according to discussions at sector-specific consultations with members from civil society organizations, the project team was able to learn that civil society representatives most often present their own views and the views of their respective organizations. Although they are involved in the sector as representatives from particular area, they do not have the mandate to represent the views of the broader civil society and were unable to consult the broader civil society, most often due to short time period for scheduled meetings and due to absence of such practices. Hence, it could be concluded that there is no mechanism in place to secure structured and organized participation of the civil society and there is no adequate model for selection of civil society representatives in sector working groups. Efforts are needed to strengthen policy dialogue under which institutions will involve civil society organizations at local and national level and will support evidence-based research, with a view to improve work in the given sector, and will strengthen cooperation through transparent and open work. The model for selection of civil society representatives will ensure legitimate process wherein civil society organizations that are members of sector working groups will be obliged to increase their communications with other civil society organizations profiled in the same policy area to inform them about objectives, agendas and dynamics of sector working group meetings and to consult them about decisions taken and advocated for at these meetings. Although the procedure might vary from one to another sector working group, civil society participants should have the status of members and not the status of observers.

The process for revision of the model for selection of civil society representatives should include:

- information and familiarization with the sector-wide approach and the importance for existence of sector working groups for the civil society and for building the structural dialogue;
- capacity building for civil society organizations to make constructive contribution to work within sectors and sector working groups;



- organization of consultations with the civil society and institutions about the model for selection of civil society representatives;
- involvement of formal consultation mechanisms (members of sector working groups and members of the Council for Cooperation with and Development of the Civil Society) in the process for design of adequate solution, having in mind the practices and procedures; and
- creation of educational and consultative platform that will serve as resource space for sharing sector-specific documents and for consultations.





GENDER PERSPECTIVE IN SECTOR WORKING GROUPS

These sector working groups within competent ministries represent broadly-defined interdepartmental forums for reconsideration, creation and monitoring of policies related to the EU accession process, whose implementation is supported under the Instrument for Pre-Accession Assistance (IPA). Gender mainstreaming²⁵⁴ in sector working groups implies integration and promotion of the principle of equality among men and women (and other gender minorities) and non-discrimination in all stages of the process for policy development, adoption, implementation, monitoring and evaluation. Gender mainstreaming takes into account existing inequalities and different needs of women and men and involves a cross-cutting approach.²⁵⁵ The Country Indicative Strategy Paper for IPA II (2014- 2020)²⁵⁶ includes gender equality as cross-cutting theme, but also as part of priority areas for support under IPA II.

The national legal framework on gender equality in the Republic of North Macedonia anticipates mandatory gender mainstreaming in work of all state authorities and institutions and in creation and implementation of policies and strategies. The Law on Equal Opportunities for Women and Men²⁵⁷ stipulates that the interdepartmental consultation and advisory group on equal opportunities for women and men (formed by the government and

²⁵⁴ Law on Equal Opportunities for Women and Men, “Official Gazette of RM” no. 6/2012 and no. 166/2014

²⁵⁵ This approach implies that women and men are not homogenous groups and therefore it is important to take into consideration joint, but also inseparable effects of other characteristics or identities, such as disability, education, age, economic and social status, ethnic background, race, skin colour, sexual orientation and other characteristics, in order to analyse how they impact and contribute to different experiences with discrimination (EIGE, available at: <https://eige.europa.eu/thesaurus/overview>).

²⁵⁶ European Commission, Instrument for Pre-Accession Assistance (IPA II), Indicative Strategy Paper for the Republic of Macedonia (2014 – 2020), adopted on 19.8.2014

²⁵⁷ Law on Equal Opportunities for Women and Men, “Official Gazette of RM” no. 6/2012 and no. 166/2014



coordinated by the Ministry of Labour and Social Policy) is obliged “[...] to promote the concept of gender mainstreaming in general policies at all public institutions; to monitor integration of this concept in sector policies, in cooperation with the social partners and institutions from individual policy areas; to monitor progress in alignment of the national legislation with the EU acquis and with the European standards in the field of gender equality...” (article 10, paragraph 8). Also, Article 11 and Article 12 of this law anticipate the competent Ministry of Labour and Social Policy to coordinate the process on gender mainstreaming in general and sector policies at all public institutions, through work of equal opportunity coordinators and deputy coordinators appointed at these institutions.

In addition to importance of the national legal framework, as candidate country for EU membership, importance is also given to EU regulations in effect and to provisions contained in the EU’s Gender Action Plan²⁵⁸ (GAP II). Namely, gender equality is a fundamental value of the EU, enshrined in the Lisbon Treaty,²⁵⁹ while the EU’s Gender Action Plan stresses the need for gender analysis, gender mainstreaming in programs and programming of assistance (including assistance under IPA II), and gender sensitivity in evaluation of financial assistance under EU programmes intended for candidate countries and developing countries.²⁶⁰

Hence, gender mainstreaming in work of sector working groups is an obligation of institutions, in compliance with the national legal framework and strategy documents in the field of gender equality, Indicative Strategy Paper for IPA II (2014-2020)²⁶¹, and the broader EU regulation, but also the country’s strategic commitment for EU membership.

²⁵⁸ Gender Action Plan 2016 – 2020, Council of the European Union, 26.10.2015

²⁵⁹ Treaty of Lisbon, “Official Journal of the European Union” no. 2007/C 306/01

²⁶⁰ Gender Action Plan 2016 – 2020, Council of the European Union, 26.10.2015

²⁶¹ European Commission, Instrument for Pre-Accession Assistance (IPA II), Indicative Strategy Paper for the Republic of Macedonia (2014 – 2020), adopted on 19.8.2014

Findings from monitoring work of sector working groups

In order to assess the manner and the extent to which gender is mainstreamed in operation of sector working groups, the monitoring methodology included a segment that researches this aspect. The approach to obtaining information for this report was established under the monitoring matrix for sector working groups. In particular, the methodology covers monitoring and evaluation of policies discussed at plenary sessions, as well as interviews with relevant IPA coordinators at sector working groups in order to obtain additional information about understanding and application of gender mainstreaming in sector working groups.

Findings from this research indicate to several important conclusions. First, only two sector working groups have discussed the impact of their specific policies on gender equality. Notably, in 2019 the sector working group on education, employment and social policy and the sector working group on agriculture and rural development integrated the gender perspective in their work.

Second, awareness for the need and importance of gender policies and gender perspectives of policies is still very low. IPA coordinators that prepare sector group sessions generally have insufficient knowledge about the need and the importance of gender mainstreaming and gender analysis in creation and implementation of policies falling under competences of sector working groups.

Third, whenever gender mainstreaming is mentioned at sector working groups it is often linked to equal representation and the right to participation in sector working groups, i.e. the number of women compared to the number of men that are members of these working groups. Hence, during one interview with IPA coordinator it was stressed that all, irrespective of their gender, have equal access to participation in the sector working group, but separate discussions and analyses of policy impact on gender equality is not part of work within sector working groups. Such narrow conceptualization of gender mainstreaming only through the prism of equal representation of women and men in sector working groups means they do not take into consideration gender perspectives in development of policy documents, which is later reflected in indicators used to measure efficiency of policies that exclude gender equality. Having in mind that gender inequalities (dominantly to the detriment of women) exist in



all aspects of social life in the country,²⁶² absence of gender analysis in strategies and policy action plans adopted by sector working groups bring under question the impact of such policies on gender equality in the country. Without integration of gender perspectives in creation of policies and strategy documents, it could be not evaluated whether these policies promote gender equality, whether they deteriorate the negative state-of-play or whether they maintain the status quo of existing inequalities.

Fourth, coordinators and deputy coordinators on equal opportunities for women and men appointed at institutions almost never participate in work of sector working groups. According to the Law on Equal Opportunities for Women and Men,²⁶³ equal opportunity coordinators and their deputies hold competences to integrate gender perspectives in strategy plans and policies of line ministries and budgets, and therefore their involvement in work of sector groups is necessary as contribution to gender mainstreaming of policies.

Recommendations

Based on these findings and aimed to promote work and results of sector working groups in regard to gender mainstreaming, the following recommendations are valid:

- Mandatory integration of gender perspectives in work of sector working groups, which implies responsible policy creation and promotion of gender equality in all stages of policy development, adoption, monitoring and evaluation. Discussions and work related to policy development, monitoring and evaluation, as well as setting priority areas for EU funding and coordination of foreign aid, should be based on gender analysis about state-of-play in specific sectors and policy areas that are in the focus of sector working groups;
- Development of specially designed trainings/modules for sector group members on gender mainstreaming in policy creation, implementation and monitoring, with focus on practical examples and applications in work and competences of sector

²⁶² Bashevska, M., 2019 Index of Gender Equality in North Macedonia: Measuring Gender Equality, Skopje: UNDP-UN Women

²⁶³ Law on Equal Opportunities for Women and Men, "Official Gazette of RM" no. 6/2012 and no. 166/2014

- working groups. These trainings should be addition to modules on gender equality and development of gender-responsible policies, intended for public administration officers;²⁶⁴
- Involvement of equal opportunity coordinators and their deputies in sector working groups;
 - Involvement of representatives from civil society organizations (and platforms or networks) that have special expertise and active work in the area of gender equality, not only with the status of observers, but also as support to work of sector working groups;
 - Due to the number of sector working groups and the need for gender mainstreaming in their respective work, there should be flexibility in involvement of representatives from civil society organizations that work on gender equality, allowing the same representatives (when needed) to be part of several sector groups.

²⁶⁴ Ministry of Information Society and Administration, Press Release, 29.9.2017, available at: <http://www.mioa.gov.mk/?q=mk/print/1393>



PART II

INSTRUMENT FOR PRE-ACCESSION ASSISTANCE II (2014-2020)

The Instrument for Pre-Accession Assistance IPA II (2014-2020) represents a framework for provision of pre-accession assistance in the period 2014-2020. It originates from the European Union's Multiannual Financial Framework for the current seven-year financial perspective.

What is specific for IPA II is the sector-wide focus. Strategy papers for enlargement countries are specific documents that should ensure strong ownership by beneficiary countries, through integration of their reform and developmental agendas. There is also Multi-Beneficiary Strategy Paper that covers priorities for regional or territorial cooperation.

IPA II is geared towards reforms under defined sectors. These sectors cover policy areas that are closely related to the enlargement strategy, such as democracy and governance, the rule of law or growth and competitiveness. This sector-wide approach promotes structural reforms aimed to transform particular sector and align it with the EU standards.

TABLE NO. 3:

Basic information, Instrument for Pre-Accession Assistance IPA II (2024-2020)



| | IPA II |
|----------------------|----------------------------------------------------------------------------------------------------------|
| AMOUNT | 11.699 billion euros |
| BENEFICIARIES | Turkey, Iceland, Albania, Montenegro, Serbia, Kosovo, Bosnia and Herzegovina and Macedonia |
| APPROACH | Sector-Wide Approach (SWAp) |
| FOCUS | Outcomes |
| INVOLVEMENT | Greater involvement of the European Parliament, the Council and national parliaments of EU member-states |
| MANAGEMENT | (In)direct Shared |
| STRUCTURE | Sectors |
| PROGRAMMING | Multiannual Financial Framework (MFF) Country Strategy Paper (CSP) Sectoral programmes |

Key IPA II documents

- | EU's Multiannual Financial Framework, 7-8 February 2013
- | IPA Regulation (16 March 2014, retroactively)
- | Regulation on Common Rules for Implementation (11 March 2014) and IPA II Implementing Regulation (2 May 2014)
- | Multi-Country Strategy Paper
- | Country Strategy Paper

Strategy and legal framework

The IPA II Regulation entered into force on 16th March 2014 and is retroactively applied from 1st January 2014. It is complemented with the Regulation on Common Rules for Implementation, which represents a sum of simplified and harmonized rules and procedures for implementation of the EU's instruments for external action, and the IPA II Implementing Regulation adopted by the European Commission on 2nd May 2014.

TABLE NO. 4:
*Allocations per sector, funds for RNM (expressed in million euros),
Instrument for Pre-Accession Assistance IPA II (2024-2020)*

| Priority areas/sectors | 2014 | 2015 | 2016 | 2017 | 2018-2020 | Total 2014-2020 |
|-----------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------------|
| 1. Reforms under preparations for EU membership | 39.7 | 17.9 | 35.6 | 26.9 | 85.8 | 205.9 |
| Democracy and governance | 66.1 | | | | 56.8 | 122.9 |
| Rule of law and fundamental rights | 54.0 | | | | 29.0 | 83.0 |
| 2. Economic, social and regional development | 41.0 | 38.7 | 38.0 | 46.0 | 135.1 | 298.8 |
| Environment and climate action | 61.3 | | | | 51.6 | 112.9 |
| Transport | 56.4 | | | | 56.5 | 112.9 |
| Competitiveness and innovation | 46.0 | | | | 27.0 | 73.0 |
| 3. Employment, social policy, education and promotion of gender equality and human resources development | 0.0 | 14.0 | 13.0 | 0.0 | 26.2 | 53.2 |
| Education, employment and social policy | 27.0 | | | | 26.2 | 53.2 |
| 4. Agriculture and rural development | 5.0 | 18.3 | 5.0 | 22.0 | 56.0 | 106.3 |
| Agriculture and rural development | 50.3 | | | | 56.0 | 106.3 |
| TOTAL | 85.7 | 88.9 | 91.6 | 94.9 | 303.1 | 664.2 |



Instrument for Pre-Accession Assistance IPA II and the Republic of North Macedonia

The basic legal acts at national level that concern IPA II are:

- ◆ *Law on Ratification of the Framework Agreement;*²⁶⁵
- ◆ *Decree on determining mutual relations between the bodies and structures in the system for indirect management of the Instrument for Pre-Accession Assistance IPA II*²⁶⁶ (Decree);
- ◆ *sectoral agreements; and*
- ◆ *financing agreements.*

These acts concern indirect management of pre-accession assistance for the period 2014-2020. *Indirect management of IPA II* is a method of management under which the European Commission assigns tasks for implementation of particular budget programmes or actions to the Republic of North Macedonia, but maintains overall and final responsibility for execution of the general budget.

The *Framework Agreement* is an agreement between the Republic of North Macedonia, represented by the Government of RNM, and the European Commission on the arrangements for implementation of the Union's financial assistance under the Instrument for Pre-Accession Assistance (IPA II).

The *Decree* establishes the system for indirect management of IPA II in the Republic of North Macedonia by laying down mutual relations between the bodies and structures for implementation of IPA II under the method of indirect management.

The *sectoral agreements* are agreements that regulate, in greater detail, programmes under separate sectors, which complement the Framework Agreement and establish measures for implementation of assistance.

The *financing agreement* is annual or multiannual agreement signed between the European Commission and the Government of RNM for

²⁶⁵ Law on Ratification of the Framework Agreement between the Republic of Macedonia, represented by the Government of the Republic of Macedonia, and the European Commission on the arrangements for implementation the Union's financial assistance to the Republic of Macedonia under the Instrument for Pre-Accession Assistance (IPA II) ("Official Gazette of the Republic of Macedonia" no. 99/2015)

²⁶⁶ Decree on determining mutual relations between the bodies and structures in the system for indirect management of the Instrument for Pre-Accession Assistance (IPA), "Official Gazette of the Republic of Macedonia" no. 54/2016)

implementation of the Union's financial assistance under the scope of the IPA II Implementing Regulation.

Bodies and structures for indirect management of IPA II

The Government's Decree²⁶⁷ established bodies and structures of the system for indirect management of IPA II, tasked with management, control, supervision, monitoring, evaluation, reporting and internal audit for IPA II assistance. They are:

- National IPA Coordinator (hereinafter: NIPAC);
- National Authorising Officer (hereinafter: NAO); and
- operating structures.

NAO establishes the management structure comprised of the National Fund and the Department for Support to the National Authorising Officer (NAO).

Audit of IPA II assistance is performed by the IPA Audit Authority in compliance with the Law on Audit of the Instrument for Pre-Accession Assistance.

The system for management and control of IPA II assistance is comprised of NIPAC, NAO, management structure and operating structures.

The system for internal control of IPA II assistance is comprised of management structure and operating structures.

²⁶⁷ Decree on determining mutual relations between the bodies and structures in the system for indirect management of the Instrument for Pre-Accession Assistance (IPA), "Official Gazette of the Republic of Macedonia" no. 54/2016)



National IPA

NIPAC is a body within the IPA II indirect management system appointed by the Government of RNM. It performs functions and responsibilities in compliance with the Framework Agreement, and in performance of these functions relies on capacities at the Secretariat for European Affairs within the Government of RNM.

The sector for coordination of EU funds and other foreign aid at the Secretariat for European Affairs within the Government of RNM serves as NIPAC Secretariat. NIPAC Secretariat develops the manual on internal rules of procedure for NIPAC in terms of performance of its functions related to sector planning, coordination of programming, as well as monitoring, evaluation and reporting on implementation of IPA II assistance.

NIPAC stipulates its mutual relations with NAO and the heads of operating structures by signing individual agreements on implementation of IPA II assistance under the indirect management system. NIPAC is obliged to inform NAO of any changes to the established system on internal controls at NIPAC Secretariat.

NIPAC presents NAO with annual statement on management and summary report on operation of the management and control system related to its competences and obligations by 15th January every year.

The summary report includes an overview of internal audit reports, reports of the audit authority and other relevant control bodies, analysis of the nature and scope of errors and weaknesses identified in these systems, implemented or planned corrective activities, and follow-up to findings and recommendations.

NIPAC is responsible to coordinate measures aimed to ensure greater utilization of funds available under IPA assistance, as well as attainment of objectives established under IPA programmes.

National Authorising Officer (NAO)

NAO is a body within the system for indirect management of IPA II appointed by the Government of RNM and is responsible:

- to perform functions and responsibilities pursuant to the Framework Agreement and sectoral agreements arising from the Framework Agreement;²⁶⁸
- in performance of its functions, to use capacities of the sector for management of funds under the Instrument for Pre-Accession Assistance IPA at the Ministry of Finance;
- to submit annual statement to the European Commission on management of individual IPA II programmes in regard to full responsibility for financial management and legality and regularity of transactions, as well the responsibility for operation of the management and internal control systems, by 15th February every year;
- within a deadline of 30 days after the relevant financing agreement enters into effect, to present the European Commission and NIPAC with plan on procurements/financial projections for the programme, i.e. activity implemented under the financing agreement;
- to immediately inform the European Commission of any significant changes to the system for management and control of IPA II so they would be reconsidered and approved before their implementation.

Mutual relations of NAO with NIPAC and the heads of operating structures are arranged by means of individual agreements for implementation of IPA II assistance under the system for indirect management. In specific cases when NAO is absent or unable to work, particular tasks that do not fall under exclusive competences of NAO may be performed by other civil servants, upon previous specific authorisation from the Minister of Finance, but NAO maintains the final responsibility.

²⁶⁸ Article 9 of the Framework Agreement provides the possibility for agreements to be complemented by further regulation of relevant sectoral agreements which, inter alia, stipulate measures for implementation of assistance.



Management structure

The sector on management of funds under the Instrument for Pre-Accession Assistance IPA within the Ministry of Finance serves as the management structure. The management structure performs its functions and responsibilities pursuant to the Framework Agreement and sectoral agreements arising from Article 9 of the Framework Agreement and is held accountable before NAO.

The management structure is comprised of *National Fund* and *Department for Support to the National Authorising Officer (NAO)* within the Ministry of Finance. Tasks and responsibilities of the National Fund and the Department for Support to the National Authorising Officer (NAO) are adequately separated.

In particular, the National Fund is responsible for²⁶⁹:

- holding and organizing the central bank accounts for IPA;
- requesting funds and receiving all payments from the Union budget;
- authorising transfer of such payments to operating structures or to recipients;
- returning funds to the Union budget following recovery orders issued by the European Commission;
- supporting NAO in preparation of financial reporting to the European Commission; and
- operating computer-based accrual accounting system that provides accurate, complete and reliable information.

The National Fund supports NAO in performance of its tasks related to management of IPA II bank accounts and financial operations²⁷⁰:

- develops and submits to the European Commission the statement of expenditure detailing:
 - ◆ incurred and paid costs;
 - ◆ where applicable, include information on pre-financing in payment requests and certify that these result

²⁶⁹ Annex A, clause 3(3) of the Framework Agreement

²⁷⁰ Annex A, clause 2(3) of the Framework Agreement

from reliable accrual-based accounting systems as established in compliance with point (b), are accurate and based on verifiable supporting documents and have been subject to verifications by operating structures and by management structure. After closure of any programme, NAO provides a final statement of expenditure;

- ensures that there is an accrual-based accounting system which records and stores, in electronic form, accounting records for each action/activity/operation and which supports all data required for drawing up payment requests and annual financial reports or statements. Such system should provide timely, accurate, complete and reliable information and includes records of amounts recoverable, amounts recovered and amounts withdrawn following cancellation of all or part of IPA II assistance per programme or activity;
- ensures transfer of funds to operating structure or to recipients;
- verifies, where applicable, existence and correctness of co-financing elements and ensures existence of sufficient resources in the National Funds to cope with possible shortages due to late transfer of funds from the European Commission or recovery orders issued by the Commission;
- makes financial adjustments required in connection to irregularities;²⁷¹
- takes into account results of all audits carried out or under responsibility of the audit authority and submits financial reports or statements and payment requests; and
- serves as contact point for flow of financial information between the European Commission and IPA II beneficiary on any issues related to financial provisions under the Framework Agreement.

²⁷¹ In compliance with Articles 41, 42 and 51 of the Framework Agreement



The Department for Support to the National Authorising Officer assists NAO in performance of its tasks pursuant to Annex A, clause 2(4) and clause 2(5) of the Framework Agreement, as follows:

- provides assurance about legality and regularity of underlying transactions;
- puts into place effective and proportionate anti-fraud measures, taking into account risks identified and ensures reporting, with continuous information to the Anti-Fraud Coordination Service (OLAF);
- is responsible for monitoring continuous fulfilment by management structure of applicable requirements arising from the Financial Agreement;²⁷²
- ensures existence and effective functioning of the internal control systems for implementation of IPA II assistance;
- ensures reporting on management and control systems and reviews programming and implementation capacity of staff members at operating structures involved in programming and implementation of actions;
- ensures that reporting and information system is in place and functional;
- follows up findings from audit reports of the audit authority;
- takes into account results of all audits carried by the audit authority;
- immediately notifies the European Commission on any significant change to management and control systems for examination and approval in advance of their implementation; and
- coordinates, when relevant, preparation of consolidated action plans, addressing any outstanding weaknesses detected in management and control systems.

²⁷² In compliance Annex B, under Article 12(3), points (a), (b) and (d) of the Framework Agreement

NAO drafts documents anticipated²⁷³ under the Framework Agreement and submits them to the European Commission by 15th February in the next financial year.

The head of management structure organizes and coordinates the National Fund and the Department for Support to the National Authorising Office and is responsible for timely, legal, and quality performance of tasks prior to their approval by NAO.

The management structure develops the *manual on internal work procedures related to performance of tasks for management of accounts and financial operations and effective operation of internal control systems for implementation of IPA II*.

Operating structures

The operating structures are comprised of an institution or group of institutions that perform functions and assume responsibilities in compliance with the Framework Agreement. IPA II operating structure is formed for implementation of particular programme with IPA II assistance. The operating structure for particular programme financed with IPA II assistance is formed by the Government of the Republic of North Macedonia.

The IPA II operating structure is comprised of:

- Central Financing and Contracting Department at the Ministry of Finance, in the capacity of contracting authority; and
- IPA structures at institutions that are beneficiaries of IPA II assistance.

The IPA II operating structure is responsible for preparation, implementation, information and visibility, monitoring and reporting, and evaluation of programmes in compliance with the principles on sound financial management. Division of functions and responsibilities among institutions that comprise the IPA operating structure, their mutual relations and relations with NIPAC are established under operational agreements. There is a separate operating structure for IPARD II.

²⁷³ Article 59(2) of the Framework Agreement

Head of IPA II operating structure



The head of IPA II operating structure (HOS) is a body within the IPA II indirect management system appointed by the Government of the Republic of North Macedonia. When performing its functions, HOS uses capacities of the Central Financing and Contracting Department at the Ministry of Finance.

After award of the right for budget implementation by the European Commission, the head of IPA II operating structure is responsible to continuously monitor fulfilment of requirements for the effective internal control system²⁷⁴ by the IPA II operating structure and supervision of work by the IPA II operating structure. When performing its work, HOS may conduct on-site checks at institutions within the IPA II operating structure and notifies NAO and NIPAC thereof. In case HOS establishes any weaknesses to management and control systems, it notifies competent IPA coordinators and makes recommendations to take adequate corrective measures to address such weaknesses. In case the competent IPA coordinator fails to implement recommended measures, HOS (who is responsible to take adequate safeguard measures in regard to payments made and contracts signed) without any delays notifies the minister/the head of beneficiary institution and NAO.

HOS presents NAO with annual statement on management of individual IPA II programmes and summary report on financial management and legality and regularity of costs and operation of the management and control system in relation to its competences and obligations, by 15th January each year. The summary report should include a summary of reports from internal audits, controls/check performed by the head of IPA II operating structure, controls/checks performed by the management structure, audit authority and other relevant control bodies, analysis of the nature and scope of errors and system weaknesses identified, implemented or planned corrective activities, and follow up to findings and recommendations.

HOS is responsible to inform NAO of any changes to the established internal control system within the IPA II operating structure.

Moreover, HOS presents NAO with plan on procurements/financial projections per programme, i.e. activity implemented under the

²⁷⁴ Article 6, paragraph (1) of the Decree, in relation to following areas: a) control environment; b) risk management; c) control activities; d) information and communication; and e) follow-up activities

financing agreement within a deadline of 15 days after the relevant financial agreements enters into effect. HOS and competent coordinators are responsible to perform activities in compliance with deadlines from procurement plans/financial projections. HOS is held accountable for performance of its tasks before NAO.

The Central Financing and Contracting Department develops the manual on internal work procedures that stipulates in detail all procedures for performance of functions pursuant to the Framework Agreement. The manual is adopted upon previous approval from the head of IPA II operating structure, the Minister of Finance and upon previous approval from NAO.

In specific cases when HOS is absent or unable to perform work, particular tasks that do not fall under exclusive competences of HOS may be performed by civil servants upon previous specific authorisation from the Minister of Finance, but HOS maintains the final responsibility.

IPA coordinator

IPA coordinator is a person appointed by the minister/the head of beneficiary institution under IPA assistance and is tasked to manage the IPA structure at relevant ministry/beneficiary institution. The minister/the head of beneficiary institution under IPA assistance and IPA coordinator from the IPA II operating structure are responsible for adequate and timely performance of tasks established in the operational agreement. For performance of tasks established under the operational agreement, IPA coordinators are held accountable before the head of IPA II operating structure.

IPA coordinator presents the head of IPA operating structure with annual statement on management and summary report on operation of the management and control system in relation to its competences and obligations, by 5th January every year. The summary report should include summary of reports from internal audits, controls/checks performed by the management structure, audit authority and other relevant control bodies, analysis of the nature and scope of system errors and weaknesses identified, implemented or planned corrective activities, and follow-up on findings and recommendations.

Upon award of the right for budget implementation by the European Commission, IPA coordinator is responsible to continuously monitor fulfilment of requirements for effective internal control system²⁷⁵ by the IPA structure.

²⁷⁵ Article 6, paragraph (1) of the Decree



IPA coordinator is responsible to inform the head of IPA II operating structure of any changes to the internal control system established within the IPA structure.

In cases when IPA coordinator has established weaknesses in operation of the IPA structure at the relevant beneficiary institution of IPA II assistance, he/she notifies the minister/the head of beneficiary institution under IPA II assistance and the head of IPA II operating structure and is responsible to take adequate safeguard measures in relation to payments made and contracts signed within competences of the relevant beneficiary institution.

The minister/the head of beneficiary institution and IPA coordinator are responsible to timely address all weaknesses identified within the IPA structure at the beneficiary institution of IPA II assistance.

The IPA structure develops manual on internal work procedures which stipulates in detail procedures for performance of its functions and responsibilities. The manual on internal work procedures²⁷⁶ is adopted upon previous approval from the IPA coordinator, minister/head of beneficiary institution of IPA II assistance and the head of operating structure, upon previous consent from NAO.

Supervision, control and audit

The management and control system for IPA II assistance is subject of supervision, control and audit by the European Commission, the European Anti-Fraud Office (OLAF) and the European Court of Auditors.

The management and control system for IPA II assistance is subject of audits by the audit authority. The internal control system is subject of supervisions by NAO.

NIPAC, NAO, management structure and operating structures, as bodies within the system for indirect management of IPA II, are responsible to act and take all corrective measures upon findings and recommendations made as a result of conducted controls and audits.

The management structure and operating structures, as bodies within the system for internal control of IPA II assistance, are responsible to act upon recommendations made as a result of supervisions conducted by NAO. NIPAC, NAO, management structure and operating structures are responsible to secure all necessary information and documents, as well as to take all relevant measures to facilitate work of persons that are instructed to perform audits and controls.

²⁷⁶ Article 10, paragraph (9) of the Decree

Internal control

Bodies and structures within the system for indirect management of IPA II are subject of internal control pursuant to the Law on Public Internal Financial Control. The minister/the head of beneficiary institution is responsible to secure internal control of the IPA structure and/or actions under its competences. Internal control over the IPA structure and/or projects under its competences is performed at least once per year, in compliance with the annual plan approved by the minister/the head of beneficiary institution.

NIPAC, NAO, heads of management structure and of operating structures and ministers/heads of beneficiary institutions should implement recommendations enlisted in reports from internal controls conducted.

The heads of operating structure inform NAO about progress in implementation of recommendations from internal controls conducted at operating structures. IPA coordinators inform the head of IPA II operating structure on progress in implementation of recommendations from internal controls conducted at beneficiary institutions of IPA II assistance.

Administrative capacity of the management and control system for IPA II assistance

Every year, NIPAC, management structure and operating structures develop analysis of the scope of work, with indication on optimal number of employees. Analysis of the scope of work, employment plan and plan for replacement of NIPAC, management structure and operating structures are submitted to NAO. Also, IPA coordinators submit copy of the analysis of the scope of work to the head of IPA II operating structure. NAO monitors capacity of NIPAC, management structure and operating structures.

As regards the IPA II operating structure, IPA coordinators and head of CFCD present NAO with information on any changes to staff members under their competences and related to new employment, reassignment of employees or departure of employees from these structures. Also, IPA coordinators submit copy of the information on changes to staff members to the head of IPA II operating structure.

Overview on IPA II management in the Republic of North Macedonia



In the Republic of North Macedonia, IPA II assistance is implemented²⁷⁷ by the European Commission, as stipulated in the Financing Regulation, as follows:

- **direct management** by the EC departments, including staff at the EU Delegations and/or the EC executive agencies;²⁷⁸
- **indirect management**, whereby the EC entrusts implementation of particular budget programmes or actions to IPA II beneficiary;²⁷⁹
- **indirect management by other entities**, except for IPA II beneficiaries;²⁸⁰
- **shared management** with member-states.^{281/282}

The basic strategy document for IPA II is the *Indicative Strategy Paper 2014-2020*²⁸³ which defines the sectors, their scope and objectives. As regards other documents that originate from this strategy paper and determine the sector-wide programming character of IPA II, by end of July 2019, a total of 17 sector-specific documents are adopted, as follows:

- two sector programmes; and
- fifteen action documents.

²⁷⁷ Article 7: Methods of Implementation, Law on Ratification of the Framework Agreement between the Republic of Macedonia, represented by the Government of the Republic of Macedonia, and the European Commission, on the arrangements for implementation of the Union's financial assistance to the Republic of Macedonia under the Instrument for Pre-Accession Assistance (IPA II), "Official Gazette of the Republic of Macedonia" no. 99/2015

²⁷⁸ As defined under Article 58 (1), item (a) of the Financial Regulation

²⁷⁹ As defined under Article 58 (1), item (c), point (i) of the Financial Regulation, by maintaining overall final responsibility for solid budget implementation, in compliance with Article 58 (2) of the Financial Regulation

²⁸⁰ As defined under Article 58 (1), item (c), points (ii), (iii), (v) to (vii) of the Financial Regulation

²⁸¹ As defined under Article 58 (1), item (b) of the Financial Regulation for cross-border cooperation programmes that include EU members-states that are implemented in compliance with the IPA II Implementing Regulation

²⁸² Cross-Border Cooperation Programmes with Albania, Kosovo, and Bulgaria, and Cross-Border Cooperation with Greece and Bulgaria (Interreg Programme)

²⁸³ Ibid.

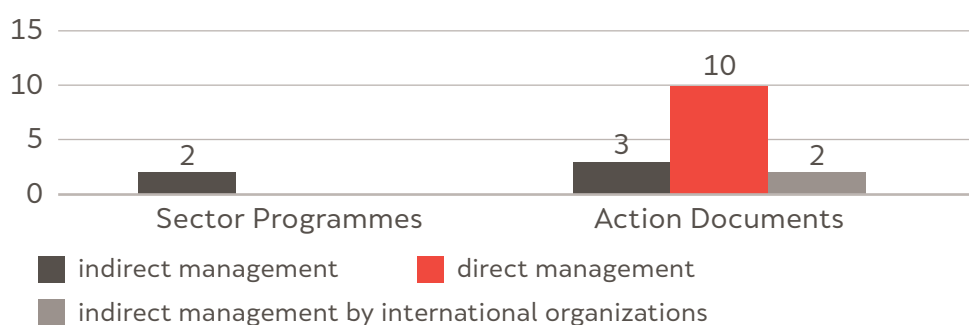
In addition to these sector-specific documents, there are other IPA II documents, as follows:

- IPA Regional Development Programme (2014-2020),²⁸⁴ which is managed by a specially accredited national body;²⁸⁵
- five Cross-Border Cooperation Programmes with all neighbouring countries;²⁸⁶
- six Annual Action Plans for Participation in the Union Programmes;²⁸⁷ and
- five Annual Action Plans for EU Integration Facility.²⁸⁸

CHART NO. 1:

Breakdown of basic programme documents with specific sector relevance

Distribution of sectoral documents



The indirect management covers two sector programmes, two action documents, parts of two action documents that are under shared management and are led by national institutions. All six action documents for participation in the Union Programmes also fall under indirect management.

²⁸⁴ http://ipard.gov.mk/wp-content/uploads/2019/03/IPARD-Programme-2014-2020_C2019666_24-January-2019.pdf

²⁸⁵ http://www.ipardpa.gov.mk/Root/mak/default_mak.asp

²⁸⁶ Which are subject of shared management

²⁸⁷ To present, there are total of six annual action documents for each year in the period 2014 - 2019. These programmes are subject of indirect management by national authorities.

²⁸⁸ To present, there are total of five annual action documents for each year in the period 2014 - 2019, except for 2016. These programmes are subject to direct management by the EC departments, including its staff in the EU Delegations and/or by the EC executive agencies.



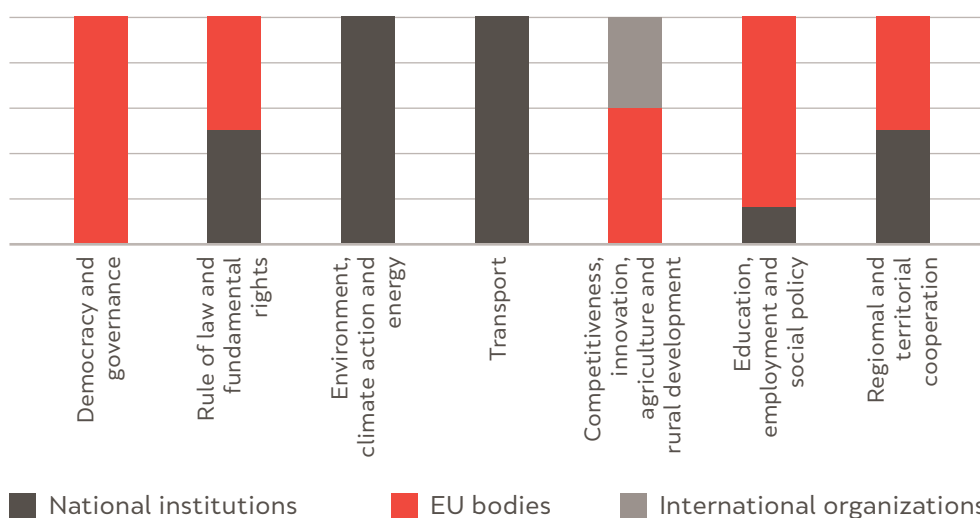
It should be noted that implementation of programmes is relatively low among sectors covered with separate sector programmes.²⁸⁹ As regards the Programme on Environment, Climate Action and Energy, two contracts are signed, accounting for realization of only 9%. Under the Transport Programme two contracts are signed, representing for realization of 20%.

Direct management covers 14 action documents, as well as parts of two action documents under shared management, but subject to indirect management. Direct management is applied to all five action documents under the EU Integration Facility.

Two of all action documents are implemented under indirect management by international organizations.

CHART NO. 2: **Sector perspective on the coverage of sectors** **and the method of management**

Who manages sector-specific documents?



Indirect management

Basic documents used by state institutions in the context of indirect management of IPA II are sector-specific programmes and action documents.

²⁸⁹ Aleksandar Kolekeski - Assessment of IPA II Absorption Capacities in the Republic of Macedonia, pg. 98; Instrument for Pre-Accession Assistance and the Western Balkans (European Movement Montenegro), Podgorica, June 2018.

Sector-specific programmes that are under the system of indirect management include:

- | Operational Programme on Environment and Climate Action 2014-2020, and
- | Operational Programme on Transport 2014-2020.

Action documents that are under the system of indirect management are:

- | Implementation of Business Continuity and Disaster Recovery System, Phase II (IPA 2014), and
- | Further Development of Capacities for Crime Scene Investigation (IPA 2014).

Parts of action documents under the system of indirect management are:

- | Support to the Justice Sector (IPA 2014) – action document that was initially implemented under indirect management (since 2014), but in 2018 parts of national competences for implementation of this programme were transferred to the European Union, after which it is subject of direct management by the EU Delegation in Skopje. Projects for which contracts were signed before the transfer of competences remain under indirect management by the end of their implementation;
- | EU Support for Education, Employment and Social Policy 2017 (indirect management only for outputs 2 and 3, i.e. output 2: equitable access to quality inclusive education at all levels and output 3: improved employment and access to labour market and decent jobs).

Direct management

Action document that are subject of direct management are the basis document used by EU institutions in the context of direct management of IPA II, as follows:

- | EU Support to Public Administration Reform and Statistics (IPA 2017);
- | EU Support to Public Finance Management (IPA 2018);



- | EU for Rule of Law (IPA 2020);
- | Migration and Asylum, Border Management and Fight Against Terrorism and Organized Crime (IPA 2016);
- | EU Support for Competitive and Fair Markets (IPA 2019);
- | EU for Inclusion (IPA 2019);
- | EU for Youth Sector Reform Performance Contract (IPA 2019);
- | Agriculture, Rural Development and Food Safety, Veterinary and Phytosanitary Policy (IPA 2015); and
- | EU Support for Rural Development and Competitive Sustainable Agriculture (IPA 2019).

Parts of action documents under direct management are:

- | Support to the Justice Sector (IPA 2014) – action document that was initially implemented under indirect management (since 2014), but in 2018 part of national competences for implementation of this programme were transferred to the European Union, whereby this action document is subject to direct management by the EU Delegation in Skopje. Projects for which contracts are signed in the period after transfer of competences fall under the system of direct management;
- | EU Support to Education, Employment and Social Policy (IPA 2017) - direct management only for outputs 1 and 4, i.e. output 1: strengthened sector management, policy framework and statistics; and output 4: improved quality and accessibility of social services.

Indirect management by international organizations

- Local and Regional Competitiveness (IPA 2014) - indirect management by the World Bank;
- Support for Private Sector Development (IPA 2016) - indirect management by the European Bank for Reconstruction and Development (EBRD).

Overview of projects managed by national institutions

According to publically available data²⁹⁰ on the number of IPA contracts signed under indirect management, it could be noted that there is a major difference in scope of contracts under IPA I and IPA II.

TABLE NO. 5:
*Number of IPA contracts signed under management
by national institutions in the period 2007-2013*

| IPA I (2007-2013) | FORECAST FOR NEW CALL | CURRENTLY OPEN CALL | CLOSED CONTRACTS | TOTAL |
|--------------------------|--------------------------|------------------------|---------------------|-------|
| IPA I – Component I | 0 | 0 | 110 | 126 |
| IPA I – Component III | 0 | 0 | 37 | 47 |
| IPA I – Component IV | 0 | 0 | 25 | 27 |
| TOTAL | 0 | 0 | 172 | 200 |

Overview of contacts signed in the period from 2009 when implementation of IPA I started shows that a total of 200 contacts have been signed. The number of contracts signed under IPA II by end of July 2019 amounts to 48.

²⁹⁰ <https://cfd.finance.gov.mk>

TABLE NO. 6:

*Number of IPA contracts signed under management
by national institutions in the period 2014-2020*



| IPA II (2014-2020) | FORECAST FOR NEW CALL | CURRENTLY OPEN CALL | CLOSED CONTACTS | TOTAL |
|-------------------------------------------------------|-----------------------|---------------------|-----------------|-----------|
| IPA II (2014-2020) – Environment and Climate Change | 11 | 2 | 9 | 24 |
| IPA II (2014-2020) – Transport | 4 | 0 | 4 | 8 |
| IPA II 2014 – Justice and Home Affairs | 0 | 0 | 12 | 12 |
| IPA II 2017 – Education, Employment and Social Policy | 1 | 0 | 3 | 4 |
| TOTAL | 16 | 2 | 28 | 48 |

Analysis of the structure of contracts provides the conclusion that a total of 172 contracts are closed under IPA I, which means that at the moment 28 contracts under this programme are still active.

As regards IPA II, a total of 28 projects are closed to present, while the new call is announced for 16 contracts, which means that at the moment only 2 contracts under this programme are still active and fall under indirect management.

IPA II as cross-cutting issue in the report from monitoring work and effects of sectors working groups

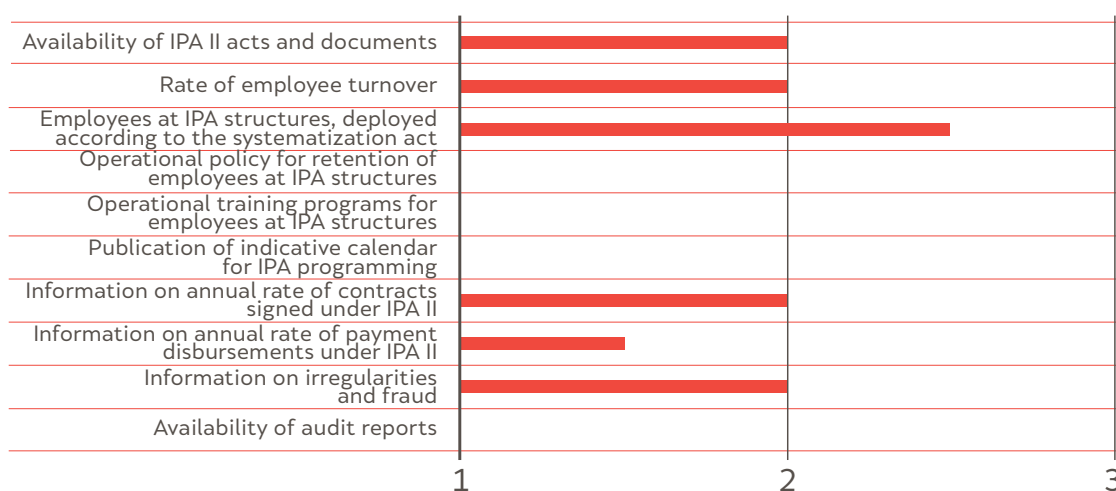
The Instrument for Pre-Accession Assistance is reviewed as cross-cutting issue under this shadow report from monitoring work of sector working groups. The period covered is from April 2019 to March 2020. Specific matters that are subject of analysis in this part of the report concern:

- availability of IPA II acts and documents;
- rate of employee turnover;
- employees at IPA structures, deployed according to the systematization act;

- operational policy for retention of employees at IPA structures;
- operational training programs for employees at IPA structures;
- publication of indicative calendar for IPA programming;
- information on annual rate of contracts signed under IPA II;
- information on annual rate of payment disbursements under IPA II;
- information on irregularities and fraud; and
- availability of audit reports.

CHART NO. 3: ***Findings on the IPA segment***

FINDINGS ON THE IPA SEGMENT



Availability of IPA II acts and documents

According to the monitoring methodology, one indicator is designed to verify whether relevant acts and documents that concern transposition of the IPA II Framework Agreement are publicly available on websites of competent institutions.

Documents and acts that concern transposition of the IPA II Framework Agreement are basic documents that regulate implementation of IPA assistance at national level. They include:



- *Law on Ratification of the Framework Agreement;*²⁹¹
- *Decree on determining mutual relations between the bodies and structures under the system for indirect management of the Instrument for Pre-Accession Assistance IPA II*²⁹² (the Decree);
- *sectoral agreements; and*
- *financing agreements.*

The Law on Ratification of the Framework Agreement and *the Decree* are publicly available on the website of the Central Financing and Contracting Department (CFCD). On its website, CFCD also posted *IPA II Framework Agreement* and *IPA II Decree*.

Official website of the Secretariat for European Affairs under the menu “accession assistance” hosts the option “IPA 2014-2020”, but in spite of the many attempts for access, this link is not functional.²⁹³ Enlisted documents cannot be found in the registry of documents at SEA.²⁹⁴

The sectoral agreements are partially available²⁹⁵ on relevant websites of individual institutions. There is no single website that provides complete and comprehensive overview of documents.

The financial agreements are also partially available²⁹⁶ on relevant website of individual institutions. There is no single website that provides complete and comprehensive overview of documents.

Rate of employee turnover

This report monitors the rate of employee turnover at key institutions²⁹⁷ within the IPA II structure. Baseline for this monitoring effort is the number of employees that is used to calculate and monitor the rate of turnover. For the purpose of this report, in the course of February and March 2020 the project team addressed competent institutions with a

²⁹¹ Law on Ratification of the Framework Agreement between the Republic of Macedonia, represented by the Government of the Republic of Macedonia, and the European Commission on the arrangements for implementation of the Union’s financial assistance to the Republic of Macedonia under the Instrument for Pre-Accession Assistance (IPA II), “Official Gazette of the Republic of Macedonia” no. 99/2015

²⁹² Decree on determining mutual relations between the bodies and structures under the system for indirect management of the Instrument for Pre-Accession Assistance (IPA II); “Official Gazette of the Republic of Macedonia” no. 54/2016

²⁹³ <http://www.sep.gov.mk/content/?id=154> (accessed once per week in the period 16th January to 16th March 2020)

²⁹⁴ <http://www.sep.gov.mk/content/?id=96#.Xo2rxsgzaUk>

²⁹⁵ <http://ipard.gov.mk/wp-content/uploads/2015/05/SECTORAL-AGREEMENT.pdf>

²⁹⁶ <http://www.mtsp.gov.mk/ipa.nspk>

²⁹⁷ NIPAC, NAO, PAO, CFCD

questionnaire. Based on data obtained, it could be concluded there is certain rate of employee turnover at key institutions.

Employees at IPA structures deployed according to the systematization act

Permanent employees at IPA structures are in compliance with the job systematization act and their number is in compliance with what has been anticipated in order to ensure effective and efficient operation. Baseline for this monitoring is the number of employees at key institutions.

In January 2020, the project team addressed competent institutions with information requests, but obtained responses only from part of them. Based on insight into available data it could be established that majority of employees within the IPA structure are deployed to jobs according to the systematization act.

Operational policy for retention of employees at IPA structures

This category monitors whether operational policy with active measures to retain employees at IPA structures is in place, adopted and applied. Based on available information it could be concluded that employees at IPA structures fall under general conditions stipulated in the Law on Labour Relations,²⁹⁸ as well as the Law on Organization and Operation of State Administration Bodies.

Operational training programs for employees at IPA structures

According to the monitoring methodology, one indicator is used to verify whether functional training programs are in place and adopted for employees at IPA structures and whether funds are regularly allocated for their implementation at the Training Centre in the Secretariat for European Affairs (SEA).

Based on available data and accessible documents, it could not be established that training programs for employees are in place, but this monitoring was unable to determine whether funds have been allocated for that purpose.

²⁹⁸ "Official Gazette of RM" no. 74 from 8.5.2015



Publication of indicative calendar for IPA programming

According to the monitoring methodology, one indicator is used to verify whether NIPAC develops and publishes an indicative calendar for IPA II programming, with data on actors involved, information necessary for programming, expected outcomes, monitoring indicators, assigned responsibilities, etc.

Based on available data and accessible documents, it could not be established that NIPAC develops and publishes an indicative calendar.

Information on annual rate of contracts signed under IPA II

In this regard, the monitoring effort verifies whether official websites of NIPAC and of CFCD host publicly available and updated information on the number of contracts signed under IPA on annual level.

NIPAC's website hosts a report for 2018²⁹⁹ in English language, titled "Report on Implementation of Assistance under IPA in 2018".³⁰⁰ This report contains general data, but does not provide precise information on the number of contracts signed on annual level.

CFCD's website, under the menu "tenders" features³⁰¹ a search engine that provides general information on the type and number of contracts signed under the indirect management system, as part of work performed by the IPA national structure, but there is no possibility for overview of contracts signed on annual level.

Information on annual rate of payment disbursements under IPA II

For the purpose of this report, efforts were made to monitor public availability of updated information on the rate of payment disbursements made under IPA on the websites of NIPAC and of CFCD. NIPAC's website hosts a report for 2018³⁰² in English language, titled "Report on Implementation of Assistance under IPA in 2018"³⁰³. The

²⁹⁹ <http://sep.gov.mk/data/file/Dokumenti/ipa2.pdf>

³⁰⁰ Report on Implementation of the Assistance under IPA in 2018

³⁰¹ https://cfcd.finance.gov.mk/?page_id=11&lang=mk

³⁰² <http://sep.gov.mk/data/file/Dokumenti/ipa2.pdf>

³⁰³ Report on Implementation of the Assistance under IPA in 2018

same includes partial data on disbursement of payments to some sectors, but there are no precise and updated information on payment disbursements.

Based on available data and accessible documents it could be concluded that very little information on the rate of payment disbursements under IPA is made publicly available. There are no documents or website locations that provide complete and comprehensive overview of information on the rate of payment disbursements.

Information on irregularities and fraud

This category is used to monitor whether there are publicly available and updated information on established irregularities and fraud. CFCD's website, under the menu "irregularities", has published³⁰⁴ information on what is considered "irregularity" and "fraud". Moreover, there is electronic application to report irregularities and fraud, and link to the European Anti-Fraud Office (OLAF).

The same website also hosts publications by OLAF, i.e. Compendium³⁰⁵ of anonymised cases for EU structural funds and Casebook³⁰⁶ of investigation conducted by OLAF in regard to external aid. However, there are no publicly available and updated information on irregularities and fraud in cases related to assistance managed by institutions within the national structures.

Availability of audit reports

According to the monitoring methodology, one indicator concerns verification whether official website of the IPA Audit Authority hosts available and updated reports from audits performed for EU pre-accession assistance.

Activities related to audit of the system for implementation, management and control of the Instrument for Pre-Accession Assistance in the Republic of North Macedonia are performed by the IPA Audit Authority. This body was formed by the Law³⁰⁷ on Audit for the Instrument for Pre-Accession Assistance (IPA).

³⁰⁴ https://cfcd.finance.gov.mk/?page_id=15&lang=mk

³⁰⁵ <https://cfcd.finance.gov.mk/wp-content/uploads/2013/07/OLAF-Casebook.pdf>

³⁰⁶ <https://cfcd.finance.gov.mk/wp-content/uploads/2013/07/OLAF-Compendium.pdf>

³⁰⁷ "Official Gazette of the Republic of Macedonia" no. 66/10, 43/14, 154/15, 27/16, 190/16 and 83/18



Official website of the IPA Audit Authority³⁰⁸ hosts general information on IPA, glossary and contacts, information on standards, final balance statement and several external links. However, monitoring of this website over a period of two months³⁰⁹ did not result in location of information on published audit reports for EU pre-accession assistance.

Conclusion on the IPA II segment

The Instrument for Pre-Accession Assistance IPA II for the period 2014-2020 is still under implementation. By the end of 2018,³¹⁰ programmes are adopted in total value of 395 million euros, for which contracts are signed in the amount of 151 million euros.³¹¹

Certain progress is made in regard to sector programming that should involve all stakeholders, including state and non-state actors. The civil society is involved in this process through representatives from civil society organizations.

The Revised Indicative Strategy Paper³¹² for IPA II was adopted in August 2018 and represents an effort to respond to newly emerged transnational challenges, such as migration, terrorism and violent extremism, climate change and economic governance.

The Revised Indicative Strategy Paper 2014-2020 from August 2018 provides new definition of sectors, as follows: (1) democracy and governance; (2) rule of law and fundamental rights; (3) environment, climate action and energy; (4) transport; (5) competitiveness, innovation, agriculture and rural development; (6) education, employment and social policy; and (7) regional and territorial cooperation.

For most part, IPA II assistance falls under the system of direct management, while state institutions have smaller share under indirect management. A portion of assistance falls under indirect management by international organizations. Compared to IPA I, participation of state institutions in indirect management is significantly lower.

³⁰⁸ <http://www.aaipa.mk/index.php?lang=mk>

³⁰⁹ Website was accessed once a week in the period from 15th January to 16th March 2020.

³¹⁰ <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-north-macedonia-report.pdf>

³¹¹ This does not include the Multibeneficiary IPA, available at: https://ec.europa.eu/neighbourhood-enlargement/instruments/multi-beneficiary-programme_en

³¹² <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-the-former-yugoslav-republic-of-macedonia.pdf>

Dynamics of contract implementation under IPA II is not balanced, i.e. implementation by the EC's departments, including the EU Delegations, is significantly faster compared to implementation by national authorities. The limited administrative capacity of national authorities to develop mature projects and the need to ensure sustainable project results are the main risk factors that prevent faster implementation of IPA pre-accession funds.

Basic legal documents on IPA II are partially available on websites of competent institutions. These websites do not facilitate ease of use for information hosted and many of published data cannot be assessed as complete and updated.

There is certain degree of employee turnover at key institutions, which affects work of institutions within the IPA structure. Majority of employees in the IPA structure are deployed to jobs according to the systematization act. They fall under the scope of general provisions from the Law on Labour Relations³¹³ and the Law on Organization and Operation of State Administration Bodies. In that regard, there is no operational policy for retention of employee at IPA structures. Based on available data and accessible documents, it cannot be established whether training programs are in place for employees at institutions within the IPA structure, and it cannot be identified whether funds are allocated for that purpose. Based on available data and documents it cannot be established whether the IPA national structure develops and publishes an indicative calendar for IPA II programming.

Reports on implementation of IPA II assistance are published periodically, for several years, but not annually. They do not include precise information on the number of contracts signed on annual level. There is very little publicly available information on the rate of payment disbursements under IPA II. There are no documents or websites that provide complete and comprehensive overview of information on the rate of payment disbursement.

Information is published on definition of "irregularity" and "fraud", and there is electronic application to report irregularities and fraud to competent institutions, including link to the European Anti-Fraud Office (OLAF). However, the project team was unable to locate publicly available and updated information on identified irregularities and fraud in cases when assistance management is conferred to the IPA national structure.

³¹³ "Official Gazette of RM" no. 74 from 8.5.2015

Official website of the IPA Audit Authority does not host information on published audit report for EU pre-accession assistance.

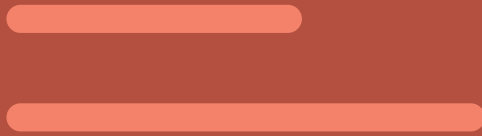


Recommendations

Specific recommendations inferred from findings presented in this report and related to IPA as cross-cutting issue include:

- An indicative calendar for IPA II programming needs to be developed and published;
- Annual, and not periodic reports should be published on implementation of IPA assistance and they should include precise information on the number of contracts signed on annual level;
- Updated overview should be published with data on contracts signed under IPA II on annual level, separately and cumulatively per year and per sector;
- Updated overview should be published with data on annual rate of payment disbursements under IPA II;
- Operational policy with active measures to retain employees at the IPA structures needs to be adopted and applied;
- Training programs should be introduced and regularly delivered for employees at the IPA structures. These programs should be developed before the start of the year, with clearly defined budget to cover as many employees as possible;
- IPA Audit Authority should make reports from audits performed publicly available on its website;
- Basic documents on IPA II need to be published on the internet and should be made easily accessible, including complete and comprehensive overview of documents in one place, together with EU regulations, the *Law on Ratification of the Framework Agreement*, the *Decree on IPA II*, *sectoral agreements*, *financing agreements* and all other relevant documents.





CONCLUDING OBSERVATIONS AND RECOMMENDATIONS TO IMPROVE WORK OF SECTOR WORKING GROUPS

The qualitative assessment in this shadow report includes comments on general dynamics under the sector-wide approach that is based on data made available to the project team in the course of the monitoring period.

As regards assessment of performance, sector working groups have established functionality and plenary sessions are held at least once per year for each group separately. The sector-wide approach allows certain flexibility, which was particularly visible during the monitoring period, when two new sector working groups were established for the first time in the sectors on Roma integration and health.

This flexibility is especially expressed at the time of COVID-19 pandemic and declaration of the state of emergency in March, which triggered redesign of sector priorities, reallocation of funds, as well as fast and effective epidemic relief response. In that regard, coordination efforts started by the end of this monitoring period, but they are expected to continue in order to bring about changes to the logics of interventions with IPA II assistance.

The quality of stakeholder representatives is in line with formal requirements and rules on implementation of IPA assistance. In addition to representatives from state institutions, sector working groups regularly include civil society representatives, and in specific sectors they also allow participation of other non-state actors. The monitoring period covered by this report is characterized by the fact that, in almost all sector groups, state institutions strived to raise the level of representation, by including line ministers in the role of sector group chairs. However, in the next years, efforts should be geared at advancing the status and participation of civil society organizations

in sector working groups, by means of their regular involvement in programming and monitoring the sector-wide approach.



The civil society organizations are formally involved in work of all sector working groups. Although during this monitoring period certain efforts were made to nominate civil society representatives through the Council for Cooperation with and Development of the Civil Society, there is still no unified system for selection of civil society representatives. This situation leaves space to reconsider the idea for establishment of the model for selection that would facilitate and promote participation of civil society organizations in sector working groups.

As regards the timeframe, 11 from the total of 14 sector working groups held their sessions in the last quarter of the calendar year, while two sector working group (one of which is newly formed) held their sessions in the first quarter, and one sector working group held its plenary session in the second quarter. This time schedule overlaps with adoption of indicators for IPA assistance. Dynamics of sector group meetings depends on their respective chairs. Hence, establishment of annual plans of activities for each sector working group would facilitate adequate and regular planning of activities, as well as more frequent meetings compared to previous practices.

In the future, efforts are needed to improve and advance access to and quality of shared information and documents. On average, certain information on scheduling sessions are shared one week before the meeting, and in addition to meeting invitation, accompanying documents often include only the agenda. Programme documents and other accompanying strategies or action plans are often unavailable, while meetings of sector working groups sometimes involve advance discussions for which civil society representatives are not informed in advance or are insufficiently informed, affecting the quality of their contributions to these discussions. In the future, this situation could be addressed only if sector group chairs, following the example of some sector groups, increase efforts to organize meetings and discussions with civil society organizations and citizens, and share information and public documents related to the scope of work for sector working groups.

General debate and alignment of views and conclusions within sector working groups are mainly led by the EU Delegation and highest ranking representatives from competent ministries. Meetings of sector working groups intended for programming documents and activities allow significant impact to be exerted by donors in terms of foreign

aid coordination. As regards the civil society, their members in sector working groups represent their associations or foundations, but often do not act as representatives of the broader civil society in the policy area covered by the specific sector working group.

There is significant possibility to improve quality and timeliness of activities that follow after meetings of sector working groups and to improve the consultation process by allowing additional online discussions and methods to inform the broader public.

Efforts are needed to secure more documents and relevant information in order to monitor consistency in terms of offer on existing project calls and actions, i.e. annual programmes, with strategy documents, primarily the Indicative Strategy Paper.

The shadow reports from monitoring work of sector working groups will be developed every year, which allows shortcoming and challenges noted in the current year to be additionally and precisely monitored in the next cycle. In addition to this approach, efforts are needed to monitor the role that this form of sector-wide approach will have in terms of the start of accession negotiations between the Republic of North Macedonia and the European Union, and in coordination of the overall process. Participation of the civil society in this period will be of particular importance, having in mind expertise of civil society organizations in particular policy areas and topics.