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<tr>
<td>AA</td>
<td>Administration Agency</td>
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<tr>
<td>GRM</td>
<td>Government of the Republic of Macedonia</td>
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<td>GS</td>
<td>General Secretariat of the Government of the Republic of Macedonia</td>
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<td>SSO</td>
<td>State Statistical Office</td>
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<tr>
<td>EC</td>
<td>European Commission</td>
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<tr>
<td>LSGU</td>
<td>Local Self-government Units</td>
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<td>SNERR</td>
<td>Single National Electronic Registry of Regulations</td>
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<td>ERP</td>
<td>Economic Reform Programme</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>LAO</td>
<td>Law on Administrative Officers</td>
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<td>LPSE</td>
<td>Law on Public Sector Employees</td>
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<tr>
<td>ALSGU</td>
<td>Association of Local Self-government Units</td>
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<tr>
<td>LOOCAB</td>
<td>Law on Organization and Operation of State Administration Bodies</td>
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<tr>
<td>LGAP</td>
<td>Law on General Administrative Procedure</td>
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<td>ICT</td>
<td>Information and Communication Technologies</td>
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<td>HRMIS</td>
<td>Human Resource Management Information System</td>
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<td>KOMSPI</td>
<td>Commission for Protection of the Right to Free Access to Public Information</td>
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<tr>
<td>OPRM</td>
<td>Office of the President of the Republic of Macedonia</td>
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<tr>
<td>MISA</td>
<td>Ministry of Information Society and Administration</td>
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<tr>
<td>MoJ</td>
<td>Ministry of Justice</td>
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<tr>
<td>MoF</td>
<td>Ministry of Finance</td>
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<td>NPAA</td>
<td>National Programme for the Adoption of the Acquis of the European Union</td>
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<td>RIA</td>
<td>Regulatory Impact Assessment</td>
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<td>PAR</td>
<td>Public Administration Reform</td>
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<tr>
<td>SEA</td>
<td>Secretariat for European Affairs</td>
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<tr>
<td>LS</td>
<td>Secretariat for Legislation</td>
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<tr>
<td>SIGMA</td>
<td>SIGMA (Support for Improvement in Governance and Management), a joint initiative of OECD and the European Commission</td>
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<td>SIFA</td>
<td>Secretariat for Implementation of the Ohrid Framework Agreement</td>
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<td>LMS</td>
<td>Learning Management System</td>
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<td>HRM</td>
<td>Human Resources Management</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>CAF</td>
<td>Common Assessment Framework</td>
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</table>
SUMMARY

The Public Administration Reform Strategy 2018 - 2022 defines measures that are to be taken in the next five years to achieve the goals and objectives defined in each of the priority areas.

In order to achieve the goals defined in the priority area Policy-making and Coordination, measures will be taken to enhance the mid-term and sectoral planning by strengthening the institutional and human capacities for coordination of the mid-term planning process and connectivity with the sectoral strategies, budgeting and annual planning. Special focus will be placed on strengthening the mechanisms for alignment between Government’s planning documents and sectoral strategies, and consistent implementation, monitoring and evaluation of performance. The quality of policies and laws and effectiveness and transparency thereof are crucial to economic development and social well-being. In order to effectively support the Government in decision-making, the structure and administrative capacities for carrying out functions of the so-called “Centre of Government” will be enhanced, especially with regard to the quality and consistency of the content of policies and draft laws through innovative manners for efficient inclusion of stakeholders in all phases of the process of policy planning and development.

Priority measures in the field of Public Service and Human Resource Management will be aimed at depoliticizing the administration. Particular attention will be paid to professionalization of senior management structures through clear distinction between the political and professional levels, as well as through introduction of a senior civil service category, by defining and regulating transparent and competitive merit-based procedures.

To achieve the defined goals in the priority area Responsibility, Accountability and Transparency, measures will be taken to reorganize and optimize state administration bodies, agencies and inspection services of the central government, in order to provide structures with clear accountability and without any overlapping competences that will contribute to efficiency in operation, clearly allocated responsibilities, coordination, management, and quality service delivery. In order to strengthen transparency and achieve greater openness of the administration, measures aimed at reducing the possibilities for malpractice of exceptions for delivering information by defining clear criteria for distinction and classification of public information will be implemented.

To achieve the defined goals in the priority area Delivery of Services and ICT Support to Administration, “Service Delivery in a Fast, Simple and Accessible Manner,” measures and activities will be taken for rational development of the digital environment, improvement of quality and access to public services, provision of digital environment with access to and possibility for using e-services. Measures and activities include development of strategies, programs and methodologies; conduction of analyses and projects based on analyses’ findings and recommendations; research for introduction of innovative solutions; simplification and facilitation of processes, etc. One of the main characteristics and goals of some of the activities, is active inclusion of users in the process of defining and designing services, thereby ensuring that the services will be adjusted to users’ needs.
To attain goals anticipated under the PAR Strategy 2018 - 2022, and to coordinate the overall PAR process at political level, a **Council for Public Administration Reform**\(^1\) shall be formed, chaired by the President of the GRM, and composed of deputies of the President of the Republic of Macedonia, ministers and other senior persons from institutions responsible for and/or participants in the implementation of the activities listed in the Action Plan of the PAR Strategy 2018 - 2022.

Expert and technical support to the PAR Council shall be provided by the **PAR Secretariat**, guided by the deputy minister for information society and administration and composed of senior administrative officers from institutions responsible for or participants in the activities defined under the Action Plan of the PAR Strategy 2018 - 2022.

For **implementation and monitoring** of the public administration reform, a **PAR Team** shall be established in MISA - as the key institution for managing and monitoring the implementation of the process. **Monitoring and reporting** on the PAR process shall be carried out by the Ministry of Information Society and Administration, which will submit a Report on implementation of the PAR Strategy 2018 - 2022 Action Plan to the PAR Council every six months and to the Government of the Republic of Macedonia once a year. The reports shall be published on designated websites of the Ministry of Information Society and Administration and GRM. After publication and prior to review thereof on PAR Council sessions, representatives of civil society organizations will be consulted. Evaluation will be performed by independent experts in medium-term (every two years), as well as after expiration of the PAR Strategy 2018 - 2022 timeframe. Based on the reports on the level of implementation and the evaluation findings, revision of the PAR Strategy 2018 - 2022 Action Plan will be reviewed, and the basis for the following strategy will be defined.

\(^1\) “Official Gazette of RM” no.192/17
1. INTRODUCTION

Public Administration Reform (PAR) is a continuous process of reorganization of public sector institutions and improvement of their administrative capacity, and is also one of the key priorities anticipated under the Accession Partnership and an important prerequisite for European integration of the Republic of Macedonia. Initiatives for modernization and improvement of the administration are consistently on the agenda. Civil and public administration are seen as the basis of the overall public sector on which processes and development of every democratic society depend. The work of the public sector reflects democratic values in their entirety and in that sense all institutions have the responsibility to work towards achieving better value for citizens and businesses, thus ensuring social and economic development, that is, prosperity of the country as a whole.

The Republic of Macedonia, as a candidate country for membership in the European Union, in the past years has embedded and developed the principles of the European Administrative Space by adopting two public administration reform strategies. With implementation of the first PAR Strategy adopted in 1999, although with unspecific timeframe, foundations were laid for the legal and institutional framework necessary to initiate the public administration reform process. The second PAR Strategy (2010-2015) was adopted in 2010 with an Action Plan, and its implementation has contributed to improving the quality of administrative services for citizens and business entities and improving the quality of policy development and implementation thereof.

The political and institutional crisis that the Republic of Macedonia has faced in recent years has shown that the rule of law principles and the functioning of the legal state have been utterly violated, and the strong partisation of civil and public institutions has seriously undermined the integrity and credibility of the institutions. The failure of the state and the institutions to quickly cope with the political crisis has led to a situation where the Republic of Macedonia was called the “captive state” of captive institutions.

In the past years, the international community has warned about such situations through criticism addressed in the country’s reports published by the European Union (EU) bodies. They pointed to a standpoint and a downturn in the European integration processes; complete partisation of public administration with employments and promotions that endanger the principle of merit; pressures and abuse of public administration during elections; inability to separate the party from the state interest; general inaccessibility of institutions and lack of dialogue between the government and the trade unions and other stakeholders in the country.

The European Commission 2016 Report on the Republic of Macedonia concludes that the country is moderately prepared in terms of public administration reform and that some, although limited, progress was made in the course of 2015. The report also highlights the need for a strong and continuous political commitment to guarantee the independence of the public administration, regardless of the current social

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3 Ibid
situation. The requirements enlisted under the European Commission Urgent Reform Priorities for the Republic of Macedonia in items A and B, Chapter: De-politicisation of Public Administration are also aimed towards creating conditions for full compliance with the legal framework, the principle of transparency, ensuring that the procedures for employment and promotion in the public service are entirely based on merit.

In response to this assessment, in the Work Programme of the Government (2017-2020), as one of the main strategic priorities concerning public administration, the Government of the Republic of Macedonia has established the following:

“The Government of the Republic of Macedonia will work on creating a professional and efficient, accountable and transparent administration that will deliver quality services to citizens and the business sector and will protect their rights. By applying the principles of fairness and professionalism in the process of employment and objectivity in promoting and rewarding public administration employees, the Government of the Republic of Macedonia will create an administration that will be free from party influence and will be committed to solving the problems of citizens and business entities, complying with the principles of legality and impartiality in the exercise of their duty.”

Consequently, the measures anticipated under the Public Administration Reform Strategy 2018-2022 (PAR Strategy 2018-2022) are fully oriented towards finding rational and feasible solutions to the challenges and guidelines contained in the European Commission reports on the Republic of Macedonia for 2015 and 2016, the Urgent Reform Priorities for the Republic of Macedonia, the recommendations of the Senior Experts Group and the SIGMA assessment mission reports, as well as the contributions of the consulted stakeholders involved in the process, following the guidelines stipulated under the Work Programme of the Government of the Republic of Macedonia (2017-2020), and under Plan 3-6-9 of the Government of the Republic of Macedonia.

1.1. Connection to Other Relevant Strategies, Policies and Programmes

The PAR Strategy 2018-2022 is in direct correlation with the strategic documents from different areas that are broadly encompassed in the public sector reform, such as:

– the Public Finance Management Reform Programme 2018-2021 (MoF)\(^9\)

\(^7\) See: https://eeas.europa.eu/sites/eeas/files/urgent_reform_priorities_en.pdf
\(^8\) See: http://www.sigmaweb.org/publications/public-governance-monitoring-reports.htm
\(^9\) See: http://vlada.mk/plan-3-6-9

\(^10\) Available at: http://finance.gov.mk/files/Programa%20za%20upravuvanje%20so%20finansi%20so%20finansiji%202018-2021_0.pdf
the Draft Public Internal Financial Control Policies 2018 - 2020 (MoF),
the Draft Strategy for Reforms in the Judicial Sector for the period 2017 - 2022 (MoJ)\textsuperscript{11},
the State Programme for Prevention and Repression of Corruption and Reduction of Conflict of Interests with the Action Plan for 2016-2019 (SCPC)\textsuperscript{12},
the National Action Plan for Open Government Partnership 2016 - 2018 (MISA)\textsuperscript{13}, etc.

The goals and objectives in the priority areas defined under the PAR Strategy 2018 - 2022 are aligned with the goals defined under these strategic documents.

\textbf{1.2. Drafting Process and Methodology}

The development of the new draft Public Administration Reform Strategy (2017-2022) after the expiration of the Strategy that covered the period 2010-2015 started in early 2016. A working group and thematic subgroups were established and received guidance from SIGMA as to the drafting of the Strategy, the manner of its structuring, and the key reform areas. The draft of this Strategy was also revised by experts by means of EU-funded expert assistance\textsuperscript{14}.

The preparation of the PAR Strategy 2018 - 2022 started following the election of the Government of the Republic of Macedonia in 2017. The process began with a consultative working meeting for democratic public administration reforms among representatives of the Ministry of Information Society and Administration (MISA), civil society organizations and experts, representatives from the international community, trade unions and media, held in June 2017. This working meeting was actually an announcement for initiation of a comprehensive, inclusive dialogue and cooperation between the MISA and the stakeholders regarding the public administration reform priorities and plan.

The starting point for preparation of the PAR Strategy 2018 - 2022 was the Draft Public Administration Reform Strategy and the 2016 Action Plan, which were published on the MISA webpage together with the SIGMA comments, including a call to the civil society organizations and all stakeholders to submit their opinions.

In July 2017, the MISA established a working group for drafting the Strategy and announced a public call to civil society organizations and chambers of commerce to nominate members in the thematic subgroups for finalization of the document. In response to the call and nomination of individuals as subgroup members, new working subgroups were established in accordance with the SIGMA public administration principles. They worked on the 2016 Draft Strategy, giving it a new structure, new vision and content, based on the comments and suggestions obtained from the civil society organizations and stakeholders.

In addition to expertise provided by group members, the main resources for work of the groups were

\textsuperscript{11} Available at: \texttt{http://pravda.gov.mk/documents/%CD%EE%FE%F2-%D1%F2%FE%E3%E8%BC%ED%20%E0%ED%EF%FD%E0%FE%F3%EE%ED%20%20%F1%F1%E4%ED%20%20%F1%F1%EA%F2%EINFO.pdf}
\textsuperscript{12} Available at: \url{http://www.dksk.org.mk/images/Drzavni_Programi/Programa2016/Државна%20програма%202016-2019%20-pdf.final.pdf}
\textsuperscript{13} Available at: \url{http://www.mio.gov.mk/?q=node/4176}
\textsuperscript{14} “Support in Development of the Public Administration Reform Strategy 2017-2022 and Relevant Documents for Planning, and Action Documents from the IPA 2 Public Administration Sector”
various SIGMA reports (assessments, recommendations and situation analyses), the EC reports on Macedonia and a number of other relevant documents. This strategy reflects state-of-affairs and challenges of public administration in the Republic of Macedonia observed until 31.12.2017.

2. STRATEGIC FRAMEWORK

VISION

DEPOLITICIZED, EFFICIENT, EFFECTIVE AND ACCOUNTABLE PUBLIC ADMINISTRATION THAT PROVIDES QUALITY AND EASILY ACCESSIBLE SERVICES TO CITIZENS AND THE BUSINESS COMMUNITY ACROSS THE REPUBLIC OF MACEDONIA.

THE WORK OF THE PUBLIC ADMINISTRATION IS BASED ON EUROPEAN PRINCIPLES AND VALUES AND CONTRIBUTES TO SUSTAINABLE ECONOMIC DEVELOPMENT, RULE OF LAW, SOCIAL COHESION AND WELL-BEING.

The goals and objectives, and the measures determined under each of the priority areas defined in the PAR Strategy 2018 - 2022 will contribute to substantial improvement and development of state-of-affairs with regard to the legal framework, the organizational setup and capacities of the institutions, as well as the human resource capacities in the public administration.

The policy-making process will be based on analyses, it will be inclusive and transparent, and will reflect the real needs of citizens and business community.

The depoliticisation of public administration will increase the trust of citizens and business community in institutions, by means of efficient delivery of quality services tailored to their needs. Institutions will be reorganized in a manner that will ensure optimum utilization of available resources, thereby increasing efficiency and cost-effectiveness in their work.

The technical and technological development and the information technology development will be fully used for digital and social transformation of the administration, by use of modern electronic tools.

The following principles will be at the core of the continuous efforts to achieve goals and measures anticipated under the priority areas of the PAR Strategy 2018 - 2022 and to transform the public administration:

- **Commitment to achieving the vision** – which implies commitment demonstrated on both political and administration level to attain long-term goals by implementing realistic reform steps and effective policies that will contribute to sustainable development;
Legitimacy – the rule of law is a fundamental requirement for economic development and social stability. The work of the public administration will be in accordance with the laws and will fully comply with the fundamental human rights and freedoms. The legislative process will ensure adoption of quality policies and laws that will contribute to strengthening the legal security of the citizens and the business community;

Inclusion – which implies active involvement and inclusion of the civil society, the business sector and other stakeholders in the policy-making process;

Digitalization – provision of quality, fast and easily accessible services will rely on modern technologies and innovative use thereof by means of continuous technical upgrading and building of adequate capacities;

Consistency in implementation – which means consistent and effective application of legislation, and efficient set-up of institutions for coordinated management and quality service delivery to citizens and the business community.

3. PRIORITY AREAS OF THE PAR STRATEGY 2018 – 2022

Public administration reform in the wider sense implies reform in the following priority areas:

1. Policy-making and Coordination;
2. Public Service and Human Resource Management;
3. Responsibility, Accountability and Transparency; and
4. Public Services and ICT Support to Administration.

Each of the four areas is elaborated in detail under a separate chapter of the PAR Strategy 2018 - 2022.

Consequently, the PAR Strategy 2018 - 2022 has four general goals:

G1: Effectively, efficiently and inclusively designed policies;
G2: Expert and professional administration, free from political influence;
G3: Responsible, accountable and transparent work of the institutions; and
G4: Delivery of public services in a fast, simple and easily accessible manner.
In accordance with the set goals, the PAR Strategy 2018 - 2022 anticipates the following results:

- Depoliticized public administration and restored trust of citizens in the institutions;
- Functional legal state and rule of law;
- Improved policies that will ensure development in all spheres of society;
- Built structures and administration capacities prepared for the EU accession negotiations process;
- Institutionally reorganized and optimized public administration;
- New and retained professional and competent administrative officers;
- Simplified and more effective application of modern information technologies;
- Responsible, accountable and transparent institutions, managers and employees; and
- Quality services delivered to citizens and businesses.

An integral part of the PAR Strategy 2018 - 2022 is the Action Plan with measures and activities that will contribute to meeting the general goals and priorities anticipated under the four mentioned areas.

### 3.1. POLICY-MAKING AND COORDINATION

The improvement of the policy-making and coordination process and capacities is a continuous commitment of the Government of the Republic of Macedonia (GRM), aimed at introducing predictable and sustainable policies that will benefit the citizens of the Republic of Macedonia.

#### 3.1.1. Situation Analysis

3.1.1.1. Strategic planning, policy-making and coordination

The legal framework for strategic planning, designing and coordination of policies is defined, and it includes harmonized legislation and bylaws which would ensure effective mechanisms and procedures for implementation and monitoring of the process, with appropriately established competence.

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Mechanisms for coordination of the policy planning and policy-making process and the drafting of laws are established through competences of the following core institutions:

- The General Secretariat (GS) of the GRM, which coordinates the preparation of strategic plans and of the Annual Work Programme of the Government of the Republic of Macedonia (AWPGRM), supports the monitoring of work performed by GRM and provides expert assistance in the decision-making process, coordinates communication of the government with the public and manages relations between the GRM and other institutions;
- The Ministry of Finance (MoF), which prepares the budget and the mid-term fiscal strategy and inspects the conducted analyses on the fiscal impact of legislative proposals;
- The Ministry of Information Society and Administration (MISA), which coordinates the RIA process and inspects the quality of the process of conducted analysis;
- The Secretariat for European Affairs (SEA) performs the following operations: coordination and alignment of the work of state administration bodies and other bodies and institutions authorized to prepare the Republic of Macedonia for EU membership, including negotiations for EU membership, coordination of activities for implementation of the Stabilization and Association Agreement signed between the Republic of Macedonia and the European communities and member-states thereof, and other agreements signed between RM and EU, as well as with the working bodies formed within the aforementioned signed agreement and other agreements signed with EU, coordination of the process for preparation of the Macedonian version of Acquis Communautaire, coordination for alignment of operations of representatives of the Republic of Macedonia in EU bodies and institutions, coordination for alignment of operations of the Republic of Macedonia as EU member-state, provision of foreign aid from EU and its members and other foreign aid related to reforms complementary to the process of EU integration of the Republic of Macedonia, informing the public on activities related to the process of European integration and European issues, as well as other operations related to EU and determined by the Government.
- Secretariat for Legislation (SL), which ensures consistency of the legal system, provides expert opinions on alignment of draft laws and other regulations with the Macedonian Constitution, EU legislation and international agreements ratified in compliance with the Macedonian Constitution, and provides expert opinions on municipality regulations upon request of the Ministry of Local Self-government.

From a formal point of view, the mid-term strategic planning process is methodologically defined and set up in a way that allows the long-term strategic priorities defined by the Government to be appropriately incorporated in the mid-term fiscal strategy and the NPAA. The process is cyclical and involves establishment of strategic priorities and priority goals for each fiscal year, based on strategic commitments arising from the Government’s four-year Work Programme, analysis of the level of

attainment of Government’s strategic priorities in the previous year, followed by preparation of strategic plans\textsuperscript{16} at the level of ministries and other state administration bodies (budget beneficiaries). The strategic plans together with the budget requests are submitted to the MoF and the GS. The planning cycle is completed with preparation of the Annual Work Programme of the Government (AWPG), which should include planned initiatives that the Government will consider in the course of the following year and for which the ministries have anticipated budget funds.

Despite clear procedures and existence of mechanisms and institutions that should ensure horizontal coordination of the policy planning and coordination system, problems\textsuperscript{17} have been identified that relate to:

- mid-term budget planning and projection, as well as relation between sectoral policies and the Budget\textsuperscript{18};
- preparation of evidence-based policies, compliance with the legislative procedure and consistent implementation of the Rules of Procedure of the GRM;
- expert and analytical capacities of the administrative officers;
- management and coordination of the key stakeholders in the process, both on horizontal and vertical level.

In terms of planning, both on mid-term and sectoral level, in recent years, the GRM and the ministries have been faced with the challenge of effective planning, management and implementation of the policy-making process, especially with regard to the quality of evidence-based analyses and of the fiscal impact analyses. This results in reduced quality of the proposed sectoral strategies, policies and draft laws.

The ministries prepare mid-term (three-year) strategic plans that should include the planned policies under their competence and should serve as basis for planning the budget in the respective area. However, this process is carried out formally, without paying enough attention to the intercorrelation of governmental and sectoral priorities, planned and undertaken activities for the next period with appropriate allocation of necessary funds\textsuperscript{19}. The planning capacities in certain ministries and state administration bodies on both managerial and professional level are limited. Cross-sectoral cooperation and coordination is weak, and the lack of annual plans for operationalization of the strategic plans, as well as the lack of a developed system for monitoring the implementation leads to reduced work effectiveness. Thus, the monitoring of implementation and the continuous planning of future activities is unsystematic.

In terms of planning on sectoral level, there is inconsistency in the planning approach, which often lacks analyses on the financial sustainability of the strategies and framework for performance monitoring and

\textsuperscript{16}Strategic plans are not a substitute for strategic documents of sectoral nature, but rather define measures and activities at institutional level that provide connection with the strategic documents, the Budget and the Annual Work Programme of the Government.

\textsuperscript{17}Noted in the following documents: Status of the legislation in NPAA (2006 – 2016) (SEA, 2016); SIGMA Evaluation Report (2015), EC Reports; Annual Reports on LIA; Report by the Inter-Departmental Working Group on Legislative Procedure and Quality Monitoring (SEA)


measuring. The lack of legislation\textsuperscript{20} for preparation of sectoral strategies significantly prevents measurement of success in achieving sectoral policy goals and their linking with the government priorities.

Nine sectoral working groups\textsuperscript{21} have been formed, which are the main interlocutor for implementation of the sectoral approach in the Republic of Macedonia, in accordance with the EU IPA rules. The national IPA coordinator, i.e., the Secretariat for European Affairs, takes measures to support and direct the operations of the sectoral working groups due to their better functioning, as well as to connect the political and the operational level within the sectoral strategic dialogue. Since the establishment of the sectoral groups\textsuperscript{22} (22), different dynamics has been noticed in the organization and quality of their operations. Therefore, the improved operation of the sectoral working groups and the enhanced capacity for implementation of the sectoral approach are especially significant for provision of traceability of national budget investments and donor’s aid, inclusivity in the strategic dialogue by including the donors and the civil sector, as well as programming, monitoring of implementation of sectoral strategies, and provision of result sustainability.

There is inconsistency in the planning documents, such as the Annual Work Programme of the Government (AWPGRM) and the NPAA with the sectoral strategies that results in submission and establishment of unplanned policy or law initiatives by the ministries. In the past several years, proposals of new laws and/or law amendments not planned under the AWPGRM or NPAA and not related to the implementation of urgent measures, but arising from the conclusions of the GRM sessions had been prepared and submitted to the GRM for consideration. Although it is quite legitimate for the Government to consider proposals outside of the AWPGRM only in exceptional cases that require adoption of urgent measures, yet, the deviation from the planning documents has become a practice which significantly hinders the planning, progress and monitoring of Government’s work.

Due to the long period of uncertainty in initiating negotiations, the focus, quality and capacity for maintaining the required dynamics of planning and the level of enforcement of the NPAA have been significantly reduced. In the period between 2014 and 2016, the eighth parliamentary composition of the Parliament of the Republic of Macedonia\textsuperscript{23} adopted 1070 laws, only 64 of which derived from NPAA, which is 5.9% of the total number of laws adopted in that period.

\textsuperscript{20} The purpose of the sectoral planning legislation is to provide a systematic approach to planning, quality of analyses, establishment of costs and assets necessary for implementation, establishment of efficiency indicators, as well as mechanisms for monitoring and evaluation.

\textsuperscript{21} Sectoral working group for competition and innovation, sectoral working group for public finances management, sectoral working group for transport, sectoral working group for judiciary, sectoral working group for internal affairs, sectoral working group for agriculture and rural development, sectoral working group for public administration reforms, sectoral working group for education, employment, social policy and sectoral working group for environment and climate changes.

\textsuperscript{22} 2014

The Regulatory Impact Assessment (RIA)\textsuperscript{24} is an integral part of the policy-making and coordination process and preparation of laws. Although all phases of the RIA implementation process are formally and methodologically defined, the incompliance with the established RIA procedures is evident. Although in the period between 2014 and 2016 there was a rising trend in the number of draft laws for which the RIA was prepared, however, viewed individually by year, only slightly more than half (53.6%) of the draft laws, at best, were by adequate analyses.

In terms of the RIA quality, the MISA analyses\textsuperscript{25} concerning the content of RIA Reports indicate that the explanations for the legal proposals, goals, reasons, options and possible impacts are broad and insufficiently elaborated, whereas data on fiscal, economic, social and other impacts do not offer sufficient information for making informed decisions. In addition to the limited information provided in RIA Reports, derogation of the role of MISA as a ministry responsible for quality control of the RIA process and content of the analyses has been noted.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of laws adopted by GRM that are subject to RIA</th>
<th>Draft laws submitted to GRM with a RIA Report</th>
<th>Documents published on SNERR</th>
<th>Draft laws submitted to MISA for opinion</th>
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<tbody>
<tr>
<td>2014</td>
<td>335</td>
<td>77 (22%)</td>
<td>114 (32.6%)</td>
<td>40 (11.4%)</td>
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<tr>
<td>2015</td>
<td>566</td>
<td>234 (41.3%)</td>
<td>136 (24%)</td>
<td>80 (14.1%)</td>
</tr>
<tr>
<td>2016</td>
<td>252</td>
<td>135 (53.6%)</td>
<td>21 (8.3%)</td>
<td>76 (30.2%)</td>
</tr>
<tr>
<td>2017</td>
<td>54</td>
<td>43 (80%)</td>
<td>45 (83%)</td>
<td>32 (59%)</td>
</tr>
</tbody>
</table>

Source: MISA, Regulatory Reform Sector\textsuperscript{26}.

Incompliance with the legislative procedure due to inadequate management of the processes in ministries and skipping steps in the legislative drafting procedures, as well as short deadlines imposed for drafting laws and bylaws, results in partial and insufficiently devised solutions in the laws. This approach leads to frequent amendments to laws and a significant waste of resources. At the same time, the lack of internal policy-making procedures in the ministries, the limited management capacity and the lack of systematized and processed data for preparation of the necessary ex-ante and ex-post analyses affect the quality of the overall policy-making, coordination, monitoring and evaluation process.

The capacities for policy-making and coordination and for harmonization of the national legislation with the EU Acquis in the ministries are limited. The analysis\textsuperscript{27} shows that the poor professional and analytical capacities concern: preparation of quality legislative proposals in the process of harmonization of the national legislation and knowledge of the European legislation; necessary analyses for effective and efficient implementation of the harmonized legislation; knowledge of the national legislation and

\textsuperscript{24}RIA is a process for systematic identification and assessment of the expected impact of draft legislation through the use of consistent analytical methods. RIA is a comparative process based on defining goals to be achieved with the legislation and finding possible ways for achievement thereof, in order to systematically select the most efficient and effective way to achieve the goal of the draft legislation.

\textsuperscript{25}Information on the progress and implementation of the Project – Regulatory Impact Assessment for 2014, 2015 and 2016

\textsuperscript{26}In accordance with data received from SNERR, the General Secretariat of the GMR and data available to the MISA

\textsuperscript{27}Survey conducted as part of the Twinning Project “Further Strengthening of Institutional and Organizational Capacities in the European Integration” sampling 300 administrative officers from about 50 bodies
nomotechnics; consistent application of legal instruments in the process of harmonization and transposition; quality of translation of the Acquis and the terminology. The survey also found unsatisfactory level of cross-sectoral and inter-departmental coordination and consultation, particularly concerning preparation of legislative solutions in NPAA and monitoring of the legislative procedure in all steps of the legislative process (from initiation to adoption and publication in the “Official Gazette of the Republic of Macedonia”).

One of the problems that the ministries encounter when preparing RIA and the draft laws is the lack of credible and relevant statistical data. Credible and relevant statistical data, aligned with the EU Acquis should be produced within the national statistical system, which is coordinated by the State Statistical Office (SSO), and the other institutions participate therein. At the moment, not all necessary indicators are produced in the national statistical system due to lack of appropriate coordination. Collection, storing and processing of statistical and other data that derive from the work of the ministries and other state administration bodies is not performed in a systematic manner and in accordance with international classifications and standards.

The lack of data and capacity for conducting analyses is particularly present in analyses of the fiscal impact of policies and laws. There is also evident lack of standardized data on costs arising from the work of the public administration authorities (cost of preparation of an analysis, a law, costs per employee per hour, training costs, etc.). As a result of the weaknesses in the monitoring and evaluation phase in the process of implementation of policies and laws, there are no statistical data on the effects of policies, so analyses are usually based on secondary sources from international organizations or the non-governmental sector.

**Cooperation with the Parliament of the Republic of Macedonia** (Commission for European Affairs, National Council for European Integration, Committee on Political System, Legislative Committee and Parliamentary Institute) is crucial for a quality and inclusive legislative process. The Government of the Republic of Macedonia is the most frequent proposer of laws, so in the period between 2014 and 2016, of the total of 1070 laws adopted by the eighth parliamentary composition of the Parliament of the Republic of Macedonia, the Government of the Republic of Macedonia proposed 1007 laws (94%), whereas 63 laws (5.8%) were proposed by MPs. There are currently no efficient mechanisms for cooperation of the GRM with the Parliament that would ensure coordination in the legislative programme planning, single rules and standards of quality in the legislative process, as well as horizontal connectivity and consistency of the legal system.

### 3.1.1.2. Decision-making system

The *decision-making system of the GRM* is regulated by the Rules of Procedure of GRM that define criteria concerning the form and content of the material submitted to the Government for consideration and decision. In addition, the Rules of Procedure establish a decision-making system that enables the material to be coordinated from a professional point of view with the work of the General Collegium of Secretaries.
of State, and from a political point of view with the work of the basic committees of the GRM. The purpose of this decision-making system is to enable all issues related to policies and draft laws to be reviewed, harmonized and resolved from a professional and political point of view, so that the Government can focus on major political issues important for achieving the national priorities and Government’s four-year Programme.

The role of GS, as an expert service of the Government, is to provide professional support in terms of formal fulfilment of the requirements defined in the Rules of Procedure, and to provide advice and support in terms of alignment of the content of material reviewed in the decision-making system. GS, together with the MoF and MISA, which have horizontal competences, and together with the LS and SEA, are elements of the so-called “Centre of Government” (29).

However, problems with planning, policy-making, and coordination described in the text above, indicate that coordination of policies and draft laws is weak, particularly with regard to the content of the material. Also, burdening Government sessions with numerous items on the agenda prevents the GRM to focus on discussions and decision-making on substantial political issues.

3.1.1.3. Transparency and involvement of stakeholders in the policy-making process

The Rules of Procedure of the Government regulate the obligation and the manner of consultation both between the ministries and other state administration bodies, and with stakeholders. The methodology and regulations governing the RIA process also anticipate mandatory involvement of stakeholders, and transparency in the process of preparation of draft laws. There are also guidelines that elaborate the process and manner of involvement of stakeholders and ensure transparency. In order to enhance consultations with stakeholders, the Single National Electronic Registry of Regulations (SNERR) was introduced, a tool intended for electronic information and interaction with the citizens of the Republic of Macedonia, representatives from non-governmental organizations, chambers of commerce, business entities, as well as representatives of the GRM and the ministries in the process of drafting laws.

Regarding consultations with stakeholders, experience has shown that stakeholders join the process of preparation of draft laws at the very end, at best, through publication of the draft law on SNERR. The late adoption of AWPG in the past years has reduced the possibility to provide timely information to stakeholders on the Work Plan of GRM and on the planned legislative programme through the Annual Plan for Implementation of RIA. Due to the delay, both plans have failed to fully achieve the expected results, both in terms of timely involvement of stakeholders, and in terms of monitoring the work of GRM.

Draft laws, together with the RIA Report, are most often published on the same day when the draft law enters government procedure. In the last three years, despite MISA efforts, there has been a constant

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29 Institute or a group of institutions with competences arising directly from the competences of the Government, as a collective body, and from the competences of the Prime Minister. The purpose of the Centre of Government is to support the Government and the Prime Minister in exercising the competence for activity coordination of the ministries aimed at efficient and effective performance.

30 https://ener.gov.mk
decline in the number of published laws on SNERR, from 32.6% of the total number of laws established by the Government in 2014 to 8.3% in 201631. This data clearly indicates the disavowing of the RIA process. Other modalities for involvement of stakeholders and consultations, like participation in working groups, public hearings, etc. are rarely used, and there are no consultations whatsoever in the process of development of draft bylaws.

The situation analysis concerning transparency and free access to public information is described in more detail in Chapter 3.3. Responsibility, Accountability and Transparency.

3.1.1.4. Monitoring, reporting and evaluation

Monitoring, reporting and evaluation is regulated by law32 and regulations33 that govern the monitoring and reporting on planned documents (AWPG, NPAA, Fiscal Strategy and Annual Budget), and the reporting by ministers on certain issues within their competence. According to the Law on Organization and Operation of State Administration Bodies (LOOSAB), the monitoring, supervision and reporting on the sectoral level only refers to the legality and efficiency of the work, and not the performance.

The legislation does not anticipate publication of planning document reports, nor reports on certain issues, and monitoring and reporting on sectoral strategies is not regulated. As noted below in Chapter 3.3. Responsibility, accountability and transparency, even though the mid-term Strategic Plans prepared by all budget beneficiaries provide basis for result-based reporting34, the quality of mid-term and sectoral planning is not at the required level. Additionally, due to the lack of Annual Plans of the ministries and other state administration bodies, there is no process of annual reporting to the GRM and the public, which negatively reflects the monitoring of the achievement of goals and the planning for the following period.

3.1.2. General and Specific Objectives

Based on the situation analysis, the goal in this priority area is the following:

| Effectively, efficiently and inclusively designed policies |

To attain this goal, the following objectives have been set:

31 See Table above in item 3.1.1.1. Strategic planning, creation and coordination of policies
32 Law on the Government of the Republic of Macedonia, Law on Organization and Work of State Administration Bodies, Law on Budgets
34 See: Methodology for Strategic Planning and Preparation of the Annual Work Programme of the Government of the Republic of Macedonia
O 1.1 Enhanced mid-term and sectoral planning aimed at achieving Government’s priorities

To achieve this objective, measures will be implemented to ensure compliance between the planning documents (AWPGRM, NPAA, ERP) and with sectoral strategies, enhancement of institutional and human capacities in the ministries and other state administration bodies and ensuring consistency at the horizontal and vertical planning level.

1.1.1. Strengthening the system for planning by developing mechanisms for alignment of mid-term with sectoral and annual planning – analysis-based preparation of a proposal for strengthening the system and mechanisms for alignment of the planning documents (AWPGRM with NPAA, ERP) with sectoral strategies. The mechanisms will include the annual planning, monitoring and reporting process, as well as transparent publication of results. The activities will also include preparation of procedures for standardization of planning and coordination at sectoral and cross-sectoral level, as well as development of regulations that will provide a standardized approach in planning and preparation of sectoral strategies by defining the elements to be included in strategies such as: quality of analyses, estimation of costs and necessary means for implementation, horizontal coordination, setting of performance indicators, as well as monitoring and evaluation mechanisms. Regulation will be prepared that will define the strategies as an act of the Government.

1.1.2. Improving the processes and capacities for mid-term, sectoral and annual planning in ministries and other state administration bodies – the activities will be focused on standardization and improvement of the processes, functions, organizational forms and capacities related to planning and linking the following processes: strategic planning, sectoral planning, programming, NPAA planning, IPA2, budget preparation, annual planning and reporting. Based on training needs analysis, training programs will be prepared and implemented to strengthen the administrative capacity (staffing, delivery of generic and specialized trainings, counseling and other tools), and mechanisms for sectoral and cross-sectoral coordination and cooperation will be defined.

O 1.2 Improved quality of policies and laws and ensuring transparency and involvement of stakeholders

To attain this objective, measures will be implemented to enhance institutional and administrative capacities for creating analysis-based policies, strengthening the mechanisms for coordination and monitoring policies and laws, as well as enhancing the transparency and involvement of stakeholders.

1.2.1. Improving the quality of RIA and the legislative process – the activities will be focused on improvement of the analytical capacities in ministries and other state administration bodies regarding the RIA, policy-making and harmonization of the legislation; preparation of aligned guidelines for conducting ex-ante and ex-post analyses, as well as analyses of the Acquis, quality transposition thereof in the national legislation in order to attain an appropriate level of compliance. Moreover, activities will include improvement of the legislative procedure and
uniform application of the existing nomotechnical regulations by finding suitable language solutions in the drafting of laws and other regulations in the context of the process of harmonization of the national legislation with the EU Acquis, as well as the establishment of an efficient system to coordinate the drafting of the national version of the Acquis with appropriate terminology.

1.2.2. **Introducing mechanisms for building an analytical basis** – state-of-affairs analysis and defining a mechanism and a regulation that will provide continuous collection, processing, storing and publishing of administrative statistics generated during the operational processes of state administration bodies. In addition, standardized administration work costs (e.g. costs for law drafting, costs for conducting analyzes, establishment of institutions, preparation and implementation of training, etc.) will be defined and regulated to facilitate preparation of analysis on fiscal implications of policies and laws.

1.2.3. **Strengthening monitoring, reporting and evaluation of policies** – clear regulation of the system for monitoring, reporting and evaluation of planning documents, sectoral strategies and laws. The defined system will be oriented towards performance monitoring and enhancing transparency. Trainings will be conducted in order to strengthen the administrative capacities in the ministries and other state administration bodies for monitoring, reporting and evaluation of policies.

1.2.4. **Improvement of sectoral working groups’ operations and strengthening the capacity for implementation of sectoral approach** – the functioning of the sectoral working groups is a condition for using IPA funds. Therefore, the complete functioning of these bodies will be harmonized by maintaining a constant dialogue between the stakeholders within the Government and institutions, as well as with the donors and the civil sector until 2019. The improved operations of the sectoral working groups and the strengthened capacity for implementation of the sectoral approach will enable adequate IPA implementation after 2020. Activities will be taken for improvement of the Rules of Procedure of the sectoral working groups, inclusion of donors and civil sector in the regular dialogue on the level of sectoral working group, following directions for implementation of a functional sectoral approach, introduction of a Framework for Evaluation of IPA Performance, etc.

1.2.5. **Increasing the involvement of stakeholders in the policy-making, implementation, monitoring and evaluation process** – enhancing the cooperation with stakeholders in order to strengthen the mechanisms for efficient involvement thereof in all phases of policy planning and policy-making. Defining the manner of collecting policy initiatives submitted by the stakeholders to the Government, transparently publishing and explaining the accepted or not accepted initiatives
and publishing annual reports on the initiatives. Implement more effective control of the existing mechanisms of stakeholders’ involvement.

O 1.3 Enhanced efficiency of processes, structures and control mechanisms for horizontal coordination and monitoring of policies, and enhanced efficiency of the decision-making process of GRM.

To achieve this objective, measures will be implemented to enhance the analytical capacities with regard to the content of policies, coordination, and the GRM decision-making system, monitoring and reporting (“Centre of Government”).

1.3.1. **Strengthening the policy coordination capacities in the GS** – strengthening the structure and administrative capacities in GS related to priority planning of the GRM, linking with the sectoral strategies, annual planning and monitoring, preforming quality control of policies and draft laws, controlling compliance with the formal requirements for the materials stipulated under the Rules of Procedure of the Government and the content thereof, as well as strengthening efficiency of the decision-making system of the Government of the Republic of Macedonia.

1.3.2. **Establishing mechanisms for coordination between state administration bodies that carry out the “Center of Government” functions** – analysis of existing mechanisms for coordination between GS, MoF, MISA, SEA and LS (“Centre of Government”), defining and regulating efficient coordination mechanisms to support the processes of planning, policy-making, monitoring, reporting and evaluation.

1.3.3. **Strengthening the efficiency of the decision-making system of GRM** - analysis-based preparation of regulations to increase efficiency of the work of GRM’s standing committees and to strengthen the role of the State Secretaries in the policy coordination processes and RIA, as well as in the decision-making system. In addition, criteria will be defined and regulated to delegate competences of GRM to the ministries related to administrative issues. Specialized activities will be designed and carried out for the state secretaries, to raise awareness and capacities on the role of the General Collegium of Secretaries of State\(^{35}\) in policy coordination and decision-making processes.

1.3.4. **Enhancing the cooperation of the Government with the Parliament of the Republic of Macedonia** - analysis and identification of effective mechanisms for cooperation with the Parliament in terms of planning the legislative programme, single rules and standards of quality in the legislative process, and horizontal connection and consistency of the legal system.

O 1.4 Improved quality and availability of statistical data supporting quality of policies

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\(^{35}\) The General Collegium includes the GRM secretary general, GRM deputy secretary general, secretaries of state under ministries, the secretary of state under the Secretariat for European Affairs, and the secretary of state under the Secretariat for Legislation.
To achieve this objective, measures will be implemented to further strengthen the capacity of the SSO and other stakeholders in the statistical system for production of credible and relevant statistical data, aligned with the Acquis, as the base for making fact-based decisions and analysis of the implementation of policies.

1.4.1. **Strengthening the capacity for production of macroeconomic statistics** – aligning the national accounts with ESA 2010 to improve data, increasing the number of indicators with a view to adopt better policies and ensure international comparability of indicators.

1.4.2. **Strengthening the capacity for production of sectoral statistics** – further alignment with the EU legislation concerning business, social and environmental statistics, adoption of new methodologies, as well as improvement of existing and provision of new indicators. Upgrading the IT capacity for collection, production and dissemination of data and strengthening the document management system.

### 3.2. PUBLIC SERVICE AND HUMAN RESOURCE MANAGEMENT

Building administrative capacities, as an integral part of the public administration reform, implies creating a professional administration free from political influence. Investing in employees’ knowledge, skills and competences and establishing human resource management standards contributes to increasing productivity and efficiency in delivering services to citizens and the business community.

#### 3.2.1. Situation Analysis

3.2.1.1. **Human resource management**

The rules on classification, status, rights and obligations, and segments of human resource management (employment, promotion, mobility, salaries and remunerations, responsibility, professional development, evaluation and termination of employment) are regulated by the Law on Public Sector Employees, the Law on Administrative Officers, special laws in different areas and general labor regulations (Law on Labor Relations and Collective Agreements). In particular, the Law on Public Sector Employees (LPSE)\(^36\) systematically and uniformly regulates principles, classification, records, as well as rights and duties and mobility of public sector employees. The Law on Administrative Officers (LAO)\(^37\) regulates the status, classification, employment, promotion, professional development and training, effect management and other matters related to employment of administrative officers. Subject of this law is also the status and


the competence of the Agency for Administration (AA). Following its adoption, the special laws (albeit not to the same extent) have been harmonized accordingly.\textsuperscript{38}

The key institution responsible for implementation of the LAO is the MISA, which has a wide range of responsibilities, including the development of policies and strategies in the field of human resource management in the public sector, drafting laws and regulations governing all elements and instruments of human resource management, improvement and training of human resources in the public sector. Coordination of the work of administrative officers is carried out in cooperation with the Ministry of Finance, the Secretariat for Implementation of the Framework Agreement (SIFA) and the Agency for Administration (AA).

AA is an independent state body organizes, coordinates and implements the procedures for selection and recruitment of candidates for administrative officers, and, under special circumstances, at the request of the institutions, also for public sector employees who do not have the status of administrative officers. In addition, as a second instance decision-making body, AA provides protection of administrative officers’ rights.

Taking into account the novelties in the procedure for selection of candidates for employment, the existing application was upgraded and adjusted to meet the requirements for issuing a public call for employment of administrative officers; and staffing, spatial and technical conditions have also been provided.

The procedure for recruitment of candidates for administrative officers starts with the issuing of a public announcement\textsuperscript{39}, and the selection is conducted by a Committee for Selection of Candidates for Administrative Officers that includes employees from: AA, the institution for whose needs the public call was issued, and from the Secretariat for Implementation of the Framework Agreement (SIFA), in case of employment in a state administration body. The secretary, i.e., the manager of the institution issues a decision for selection that is forwarded to the selected candidate and published on the website and on the announcement board of the AA.

Since 1 August 2016, when new employment procedures came into force, it has been noted that the overly detailed legislation and the extremely high standards\textsuperscript{40} in place for selection and recruitment of administrative officers that are only complicate the procedure, not significantly contributing to merit-based employment. The requirements for fulfillment of the special conditions\textsuperscript{41} are also ineffective. This also implies a financial burden for the candidates, with no certainty for secure employment, which results in lack of competent candidates that meet the general and special requirements of the available job vacancies. Another challenge observed in the very few procedures\textsuperscript{42} carried out so far is the poor interest

\textsuperscript{38}List of laws aligned with LAO and LPSE.
\textsuperscript{39}Announcements are published on the AA website and in at least three daily newspapers.
\textsuperscript{40}Such as internationally recognized certificates of knowledge of one of the three world languages (English, French and German) and computer programs for office work.
\textsuperscript{41}As a result of the late adoption of the Methodology for Recruitment Planning in the Public Sector, in accordance with the principle of adequate and equitable representation, as well as the form, content and template of the annual recruitment plan and the report on the implementation of the annual recruitment plan and the suspension of initiated procedures due to the election processes in the past period.
of candidates to apply to the public call. This is due to the candidates’ mistrust in the impartiality of the selection procedure, but also the high criteria and standards in place. Since 1 August 2016 to date, 91 public calls have been announced for 362 executive officers to which 1606 candidates have applied, and 162 decisions for selection were made. This means that each job vacancy averaged 4 candidates, but also that the procedure for the announced job vacancies for 200 executive officers was not completed, i.e., appropriate candidates were not selected\(^3\).

Apart from conditions for employment, inconsistently objective and insufficiently competent and trained selection committees, particularly in terms of conducting a structured competence-based interview, lead to incompliance with the merit-based employment principle.

Another challenge related to employment was the noted bypassing of the legislation for employment of administrative officers. This was done by hiring by means of temporary employment agencies and by implementation of the Law on Transformation of Temporary Positions into Permanent Employment Contracts\(^4\). Namely, in 2015 and 2016, contrary to established provisions for selection and recruitment, without established criteria and by means of an uncompetitive procedure, individuals who had previously been engaged under a volunteering contract, service contract and/or copyright contract or other contract, have been employed for an indefinite period of time in state administration bodies, institutions in the field of culture, education, healthcare, child and social protection founded by the Republic of Macedonia and units of local self-government, as well as public enterprises, institutes, funds and other legal entities whose founder is the Republic of Macedonia.

There is no clear distinction between the political and the professional level in the legislation of the Republic of Macedonia, i.e. the scope of the senior civil service\(^5\) is not clearly defined. The LAO made the first step towards professionalization of the administrative service executives. Namely, the highest “A” category of administrative officers includes secretaries (secretaries of state, secretaries general and secretaries of the local self-government units and the City of Skopje). The general and special conditions that the secretaries should meet are regulated by the LAO, whereas those for directors of civil sector bodies are regulated by special laws\(^6\). Thus, it is evident that there are no clear rules and criteria for appointment and dismissal of secretaries and directors, nor an open competition for most of these positions, which violates the principle of merit. Hence, one of the key measures under this priority area is depoliticization of the administration by means of enhanced application of the principles of merit, equal opportunities, and adequate and equitable representation and professionalism of senior management positions, which would provide limitations to political influence in the appointment and dismissal processes.

Promotion of administrative officers is done by publishing an internal announcement on the institution’s website and only candidates from the same institution can apply. The selection includes two stages:

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\(^3\) Ibid

\(^4\) “Official Gazette of the Republic of Macedonia” number 20/2015

\(^5\) The category “Senior Administrative Service” includes: secretaries, directors of bodies within the ministries and other state administration bodies, and heads of sectors.

\(^6\) List of laws that stipulate general and special conditions for directors.
administrative selection and interview, and it is conducted by the Promotion Selection Committee composed of three employees from the institution. The Committee proposes the first ranked candidate to the secretary, i.e. the manager of the institution where there is no secretary appointed, and the secretary makes a decision on selection and a decision on promotion of the respective administrative officer. The current rigid solution whereby an administrative officer can be promoted to only one higher level by means of internal announcement disables the career development of administrative officers, especially those who have been at the lowest levels within the category for a longer period, while having the competence and necessary work experience for even several higher levels. The end effect is demotivation among some of the employees and departure of quality personnel from the public sector. As with the recruitment procedure, the composition, competence and insufficient training of the members of the Promotion Selection Committee are sometimes an issue, which, in turn, lead to the possibility of discretionary decision-making when proposing a candidate for promotion.

A mechanism for implementation of the constitutional principle of equitable representation of members of the communities has been established in each of the public sector institutions. The Methodology for Planning of Employments in the Public Sector in Accordance with the Principle of Equitable Representation, as well as the Form, Content and Template of the Annual Employment Plan and the Report on the Implementation of the Annual Employment Plan\(^4\), was adopted in 2016 whereby, from 2017 onwards, institutions are obliged to plan employments based on a realistic needs assessment. Additionally, a web tool BalanceER has been developed, used for electronic distribution of planned new employments, in accordance with the need to achieve adequate and equitable representation at the level of public sector institution. The basis for planning representation of members of the communities at central or local level are data from the latest population census conducted in the Republic of Macedonia.

As for the identified problem with 1600 people employed under the K5 programme (adequate and equitable representation), their deployment in public sector institutions is expected to terminate in 2018. To that end, the GRM will establish a working group with representatives from the MI3A, SiFA, MoF and the Employment Agency appointed to coordinate the deployment process.

The model for evaluation of administrative officers is a modification of the 360°model and was introduced as a substitute for the one-way evaluation where the immediate supervisor was the only evaluator. The evaluation procedure consists of: identifying work goals and tasks; defining an individual plan for professional development and a procedure for evaluating the effect of administrative officers. All administrative officers are evaluated once a year, except the “A” category – secretaries and cabinet staff-members. The evaluation procedure includes: the evaluator (immediate supervisor) who evaluates the work done and other evaluators (two administrative officers from the institution and two external associates) who evaluate the general working competences of the administrative officer who is being evaluated. The process of annual evaluation ends with measures for excellent or poor effect.

The experience from the application of the performance management system indicates that the process is far too complex and complicated to apply, both in terms of human resource engagement, and in terms

\(^4\)See: 
of the associated forms and time for implementation of the process. Additionally, the 360° evaluation model is not implemented in its original form – there is no self-evaluation, and on the other hand, the percentage ratio between the evaluation made by the immediate supervisor and the evaluation made by the other evaluators was utterly unnecessarily established. The continuous monitoring process lacks an interview/discussion between the evaluated and the evaluator to jointly identify the work objectives and tasks, and to define an individual development plan for the following year.

The evaluation procedure is de jure completed with a signed form, and not with a legal act (decision for annual evaluation), which prevents exercise of the right to protection of the administrative officer in relation to the evaluation (not only against the procedure, as is the case now) and does not ensure the two-instance principle. The measures for excellent and poor effect not only failed to achieve the expected goal, but created pressure, a feeling of insecurity, and violated the interpersonal relations among the employees. This reduced the commitment for better results and realization of the planned, as well as the quality of services provided to citizens and to the business community, which is the core mission of public administration.

The salaries of the public sector employees are regulated only partially by special laws and collective agreements. The Law on Administrative Officers contains provisions for salaries, allowances and royalties exclusively for the group of administrative officers. For the other groups of public sector employees, which account for the predominant number of public sector employees, the right to salary is defined by special laws (for example the Law on Internal Affairs, Law on Army Service, etc.), while the components of salaries, allowances and royalties, the method of their calculation, and their amount are regulated by collective agreements, rulebooks, decisions, etc. When announcing a public call for employment in the public sector, the amount of the basic salary for the specific job position is announced, which indicates that there is transparency in this segment.

The lack of an inconsistent salary system is evident in the overall public sector. There is disproportion in the amount of salaries of employees even when they perform the same type of work and tasks. Salaries in certain institutions like regulatory bodies, funds and public enterprises are significantly higher than the salaries of staff-members employed with budget beneficiaries.

Such payment system also creates management difficulties, especially in cases of increase or decrease in the amount of salaries, which leads to even greater unbalance. The consequence of this un-unified system is dissatisfaction and demotivation of a large number of employees, as well as transition of high-quality personnel from the public to the private sector.

### 3.2.1.2. Human resource management coordination

In order to achieve continuous and systematic human resource management coordination in the administrative service, the LAO explicitly regulates the following: “Organizational units for human resource management are organized in a Network of Organizational Units for Human Resource Management (HRM Network) chaired by the Secretary of State for Information Society and Administration”. In the past period, activities of the HRM Network were aimed at establishing a
competence-based HRM model, developing Human Resource Management Standards, organizing annual conferences for exchange of experience among practitioners-employees in the HRM organizational units within state administration bodies and local self-government bodies, but also a number of trainings were organized to support employees in the HRM departments. In addition to the aforementioned activities, the MISA has established a mechanism for regular and continuous communication, a forum for discussion, consultation and exchange of relevant documents among the HRM Network members via http://www.e-demokratija.gov.mk platform.

The operationalization and coordination of the HRM Network continues to be a huge challenge, taking into account the limited administrative capacities of the MISA. Although there is an organizational form for management of the HRM Network, there are no employees therein. Experience thus far has shown that direct communication is a preferred approach when it comes to exchange of information and experience, undermining other forms of electronic communication, whether it is an e-mail communication or some other modalities for exchange of experience, such as forums, internet portals, etc. In this context, special focus should be placed on finding a model, i.e. mechanism that would be sufficiently adaptable and attractive to be able to encompass and entertain the overall membership of the HRM Network while maintaining continuity and frequency of contacts within the established system.

3.2.1.3. Tools for human resources management

For a unique and quality human resource management in institutions, i.e., in the public sector, the MISA established a Register of Public Sector Employees, an electronic database for all institutions and employees in the public sector. The Register is part of the Human Resources Management Information System (HRMIS), a comprehensive e-platform, which should enable recording of all information for the institution and its employees, implementation of the effect management process, calculation of salaries and generation of different reports’ types.

However, although HRMIS is a good platform for central recording of public sector employees, the system has not been entirely completed with correct and complete data for the past two years, which resulted with incomplete and unchecked data in the system. On its web page, the MISA published the 2016 Annual Report of the Register of Public Sector Employees⁴⁸, according to which 1,291 institutions are active and note 129,653 employees. However, information presented in the Report was not obtained by their entering into the system by authorised officials, but rather by crossing databases of the Central Register, the Health Insurance Fund, the Employment Agency, the Pension and Disability Insurance Fund and the Ministry of Finance. This is due to the large number of institutions and the extensive data set that should be entered, considering the lack of staffing of the human resource management sectors (regardless of the law provision that every institution should have at least one person tasked to conduct the HRM function), as well as insufficient training of persons authorised to work with this system in the institutions.
Besides HRMIS, the Public Sector Job Vacancies Catalogue has been established 49, which represents a systematised list of all public institutions’ job vacancies classified by: groups, subgroups, categories and levels (with activity code, i.e., the type of institution - holder of the job vacancies, based on the previous classification set forth in the special laws), expert classifications, previous working experience within the profession and special competences.

3.2.1.4. Professional development of administrative officers

The legal framework for professional development of administrative officers regulates the largest portion of activities for managing development of employees’ abilities.

MISA is authorised to coordinate generic trainings of administrative officers. A Training Sector has been established (Academy for Professional Development of Administrative Officers) within the internal organisational structure. Changes have been made in the preparation and adoption of the Annual Program for Generic Training of Administrative Officers (APGT), adopted by MISA, and of the Annual Plan for Training of Administrative Officers (APT) adopted by the intuitions. Namely, APGT is not based on analysis of the needs for training of officers on national level, but MISA prepares a Generic Trainings Catalogue, which is based on the 9 competences anticipated under the Framework of General Working Competences50, which predetermine the types of generic trainings available to administrative officers.

For the first time, training and exam for administrative management has been established as part of the system for improvement of the executive officers category. Distance learning is also operational in addition to the traditional training method. E-learning could be conducted through two E-Systems: Micro-learning and Learning Management System (LMS). A systemic solution for mentoring of officers, as well as Register of Mentors, have also been implemented.51

However, there are several problems that impose difficulties on implementation of the professional development system. One of the key problems is the practical realisation of the administrative officers’ professional development within the determined scope. Namely, the request for organization of 5 generic trainings for every administrative officer annually is groundless and practically impossible. Furthermore, it has been noted that the preparation of the annual programs for training in institutions, which should be based on individual plans for development of officers, faces serious problems due to short deadlines stipulated under the Law on Administrative Officers. There is no regulation for practical realisation of additional trainings, as a corrective measure for improvement of administrative officers’ effect. Although functional platforms for e-learning exist, it has been noted that they are outdated and do not satisfy the needs to produce relevant statistical data.

51 See: http://www.mioa.gov.mk/?q=node/43110
In terms of institutional capacity for organization of trainings, problems relate to inadequately defined status and structure of the Academy, insufficient staffing, lack of premises, technical and IT facilities, as well as nonexistence of special resources intended for professional development. In addition, the status, the rights, and the obligations of the trainers have not been regulated.

3.2.2. General and Specific Objectives

Based on the situation analysis, the general objective in this priority area is:

**Expert and professional administration free from political influence**

To attain this goal, the following objectives were set:

**O 2.1. Depoliticized administration, by consistent application of the principles of merits, equal opportunities, equitable representation and professionalization of senior management positions.**

To attain this objective, measures will be taken to reduce risks of party influence in the administration, my means of enhanced procedures for selection, employment and promotion, based on the principles of merits, equal and fair treatment, as well as equitable representation of members of communities. The measures will also include professionalization of senior management positions through establishing a clear distinction between the political and the professional level (introducing the senior civil service category), which will contribute to decreasing political influences, strengthening capacities of management structures, and increasing accountability (complementary with measures anticipated under O 3.2. Established Effective and Efficient Mechanisms that Provide Accountability in Institutions). To achieve more efficient and effective operations, the administrative officers’ performance appraisal system will be redefined, which will set the basis for remuneration according to performance and thus enable to link it to the salary system in the later stages of the reform. This would include:

2.1.1. Reducing risks of politicisation through implementation of clear criteria and transparency when selecting the best candidate for employment and promotion – identifying the phases in employment and promotion procedures that are prone to risk of undue intervention and party influence. Defining of clear criteria to grade competences when selecting the best candidate, and preparation of detailed reports and minutes of selection committees, as well as justification of decisions for candidate selection based on evidence. These reports will be published on the web page of AA and the institution where employment/promotion takes place.

2.1.2. Professionalization of senior management structures – regulation of the clear distinction between the political and professional management level, as one of the depoliticization measures. Definition and regulation of transparent and merit-based competitive procedures in
the process of selection, appointment, promotion, mobility and termination\textsuperscript{52} for the senior civil service category.

2.1.3. **Improvement of the content and the access to job advertisement, and protection of candidates’ rights** – clearly defined employment and promotion requirements designed to attract more quality candidates, as well as utilization of modern communication methods (social networks) for transparent and attractive vacancy posting. Preparation of guidelines for candidates that participate in employment/promotion procedures to inform them about protection mechanisms and sanctioning of undue actions and behaviour during the selection procedures.

2.1.4. **Strengthening of selection committees’ capacities** – designing and delivering training for the selection committee members, and preparation and distribution of manuals, guidelines and other practical tools for selection procedures, based on prepared training needs analysis. Analysis of other options to strengthen the responsibility of the selection committees’ members during employment/promotion procedures.

2.1.5. **Improvement of the role of the HRM Network, strengthening of mechanisms for coordination and improvement of HRM tools** – development of models for operationalisation of the HRM Network and implementation of better mechanisms for coordination of members therein. Improvement of the process of sharing information on human resources management in all working aspects, as well as provision of adequate support for the employees in organizational units of human resources for implementation of laws. Analysis and improvement of HRMIS and the Job Vacancies Catalogue, to increase their utilisation in all aspects of the HRM process.

2.1.6. **Improvement of the performance evaluation system** – analysis of regulation and practical application of the current performance evaluation system, and preparation of proposal for building of efficient and effective evaluation system with clearly defined criteria and procedure. During the preparation of the proposal, care will be taken to establish the elements for performance-based remuneration so that it can be linked to the salary system in the later stages of the public administration reform process.

2.1.7. **Improvements in implementation of the principle of adequate and equitable representation** – analysis of the current Methodology for Planning of Employments in the Public Sector in accordance with the principle of adequate and equitable representation and its qualitative improvement and development of other measures for continuous implementation of the principle of adequate and equitable representation of members of communities.

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\textsuperscript{52} Sector managers, secretaries general and secretaries of state and directors of bodies within ministries, autonomous bodies of the state administration and administrative organisations.
The measures for achieving this objective will be focused on development of a Law on Salaries for Public Sector Employees, which will provide development of salary system based on the principle “equal salary for equal work” in the administration, including remuneration according to the achieved results and bonuses for deficient working profiles (IT, IPA structure employees, risky working positions) in order to attract and keep quality staff and recruit motivated, trained and experienced staff, who will be able to conduct streamlined transition of IPA to Structural and Cohesive Funds.

2.2.1 **Preparation of regulation for the new salary system** – conducting analysis on the current legal framework of the existing salary systems in the public sector by groups of employees (administrative officers, persons with special authorisations, public service providers and assistant technical persons), comparative analysis and job evaluation based on the Public Sector Job Vacancies Catalogue. Defining elements of the new salary system (basic salary, allowances and royalties) in the public sector based on findings from the analysis and comparative experiences, with components for remuneration according to achieved results of the public-sector employees. Conducting extensive fiscal impact assessment and simulations based on the defined proposal elements for the new salary system, taking into account the budget constraints. Establishing a single salary system framework for all employees in the public sector, i.e., the Law on Salaries for Public Sector Employees, complementary to the collective agreements for different groups of employees.

O **2.3 Established system for professional development of administrative officers by the Academy for Professional Development of Administrative Officers**

The measures for attaining this objective will be focused on building an operational and functional system for training of administrative officers, which will have all necessary capacities to provide systematic and continuous professional development of administrative officers.

2.3.1 **Defining the status of the Academy for Professional Development of Administrative Officers** – analysis of the Academy’s status and modalities for organisation, coordination, and execution of the function professional development of administrative officers. Preparation of proposal for efficient and effective execution of the function professional development of administrative officers.

2.3.2 **Building of capacities for the various categories of administrative officers** – development of adequate programs and modules for training of various categories of administrative officers, with a special accent on training for management skills for senior positions (senior civil service).

2.3.3 **Improvement of e-learning platforms** – upgrade and development of technical platforms with new contents and technical possibilities, which would enable better e-learning system management.

2.3.4 **Creating a database of competent trainers for generic trainings** – defining criteria and conditions for selection of trainers (members of the academic community and practitioners from the administrative officers’ category) and development of modalities for recruitment thereof.
3.3. RESPONSIBILITY, ACCOUNTABILITY AND TRANSPARENCY

The responsibility, accountability and transparency of the public administration is a prerequisite for good management and provision of quality services\(^{33}\). Therefore, improvement of the responsibility, accountability and the transparency are priority goals in the PAR process.

3.3.1. Situation Analysis

3.3.1.1 Institutional organisation of executive authority, responsibility and accountability

The organisation of state bodies, including state administration bodies, is the key to establishment of modern democratic system based on the rule of law. The framework of the institutional organisation of the executive authority is set under the Law on Organisation and Operation of State Administration Bodies (LOOSAB), as well as in a series of special laws that regulate different areas in society. Namely, regulation on the status, organisation and the functioning of the state administration bodies, agencies, and inspection services of central authorities is fragmented, complex and unclear, and is subject to frequent amendments. This results in inconsistent realisation of these civil bodies’ functions, inefficient spending of public funds and not always prompt and quality service delivery to citizens and businesses.

The parallel existing of LOOSAB and many \textit{lex spesialis} blurred the distinction between the different types of bodies and institutions. When establishing bodies/institutions by means of special laws, attention was not paid to the hierarchical setup, bodies’ subordination, overlapping authorities, strict competence of departments and/or adequate allocation of bodies/institutions’ functions, which in practice results in serious problems related to execution of bodies’ and institutions’ basic functions. This situation is result of reckless adoption of laws and non-implementation of the RIA process, as well as of inefficient inclusion of all parties involved in the law preparation process (see analysis in chapter 3.1. Creation of Policies and Coordination).

Besides the issue on institutional setup, the lines of responsibilities of the officials in the institutions they work for (for ex., inspectorates, with a status of bodies within ministries) have also not been clearly determined, and control and monitoring mechanisms have not been implemented everywhere, which results with some institutions reporting to the competent ministry and the Government, in parallel. This implies to the need to implement horizontal functional analysis\(^{34}\), so to set up an analytical basis for solving these problems.

\(^{33}\) Notification from the Committee to the European Parliament, the Council, the European Economic-Social Committee and the Committee of Regions – EU Enlargement Strategy, pp.9, in part g) Functioning of democratic institutions and public administration reform

\(^{34}\) Horizontal functional analysis focuses on the distribution of functions between institutions. Most often, this process includes analysis of objectives and responsibilities of the institutions to determine whether the distribution of responsibilities is rational without duplication and / or lack of functions. The horizontal functional analysis may also focus on analyzing the extent to which all ministries apply the same methods to
In accordance with the LOOSAB, the monitoring of operations is focused only on the legality and the efficiency of operations\(^5\). Although mid-term strategic plans prepared by budget beneficiaries offer grounds for result-based reporting\(^6\), the process of mid-term strategic planning in the state administration bodies is formal, and reporting quality is not on the desired level (see 3.1.1.1. above), whereby plans lack performance indicators.

The high level of politicization, especially in senior management positions that is partially result of unclear distinction between the political and professional level, as well as the undefined working conditions, appointment and dismissal of managers (see 3.2.1.1 on secretaries general/secretaries of state and institutions’ managers) undermines accountability. In addition, there is complete absence or limited transfer/delegation of responsibilities from the top-level to the mid-level management staff\(^3\). Although the legal framework provides basis for decentralising and deconcentrating authorities and delegating authorisations, the administrative culture and the understanding of managers that they need to control every financial or business decision, results in reduced efficiency of working and creates possibilities for discretionary or biased decision-making.

### 3.3.1.2. Protection of citizens’ rights

Amendments to the Law on the Ombudsman\(^5\) created preconditions for obtaining status A for the National Human Rights Institution, from normative aspect. The amendments extend the mandate of the Ombudsman in terms of human rights promotion, as well as supplementation of a new jurisdiction regarding the authorisation of the Ombudsman to participate in all phases of the court procedure.

Of the total number of 3775 grievances received in 2016\(^6\), the largest number i.e., 1764 (46%), refer to violations of rights by public offices and institutions, 1142 (30%) refer to violations of rights by central government institutions, and 306 complaints (8%) refer to violations of rights by the local government. Of the completed 3756 proceedings in 2016, in 1358 (36%) cases the Ombudsman determined violations of human freedoms and rights, whereby adequate measures were taken, and his interventions were accepted.

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5Article 38, paragraph 1, Law on Organisation and Operation of State Administration Bodies, Official Gazette of RM no. 58/00  
6See: Methodology on Strategic Planning and Preparation of the Annual Work Program of the Government of the Republic of Macedonia  
7European Commission: Report on the Republic of Macedonia 2016 (pp. 15)  
8Amendments to the Law on the Ombudsman  
In general, there is a growth in accepted individual recommendations for elimination of violation of rights by state administration bodies and other public bodies and organisations, but this is not the case with recommendations concerning Individual reports and research for determined negative situations. To overcome such situations, the amendments on the Law on the Ombudsman require mandatory review of the special reports on obstruction of the Ombudsman’s operations on a Government’s session, and the Government shall take a stand with draft-measures. This will create conditions for strengthening of accountability and control of the Parliament of the Republic of Macedonia over the executive authority.

The legal protection of citizens, as a constitutional right, is secured with the right to appeal and/or court protection. In part of the procedures, the laws guarantee the right to appeal, while in another part, court protection is directly guaranteed. A State Committee for deciding in administrative procedure and working relation procedure in second-instance and a State Committee for deciding in second-instance in the area of inspectional monitoring and criminal procedure have been established, as well as two-instance court protection by the Administrative Court and the Senior Administrative Court.

The current implementation of the LGAP on protection of citizens’ rights in administrative procedure presented problems in its practical application. Due to lack of technical preparation of institutions, mandatory electronic communication between public bodies has not been performed yet (see item 3.4.1.1). More specifically, the deadline for adoption of decision upon a lodged request by the party in first-instance procedure, i.e., ex officio, was often prolonged. In addition, the LAGP stipulates an obligation for the body —recipient of the lodged request, to provide and show evidence for deciding on the case ex officio, which is not fully performed by all bodies in practice, and the parties usually collect all necessary documents/evidence by themselves.

In terms of administrative procedures before second-instance bodies, documents relevant for deciding on a case are often missing. When acting upon an appealed case, the second-instance body needs to address the first-instance body several times only to complete all necessary files. This refers to

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*The deadline is 30 days (from the day of completion of the case with all necessary documents) with a possibility for extension to additional 30 days, if the complexity of the case justifies the extension.*
irresponsible behaviour on part of the management of the first-instance body and careless working of the officers that act upon cases, as well as to inadequate administrative capacity. In exclusive cases when there is lack of response by the first-instance bodies, the State Administrative Inspectorate is engaged to complete the documents.

In a procedure upon an initiated administrative dispute with a lawsuit to the Administrative Court, the problem with lodging of case files is even more complex and has an enormous influence over delay of procedures. Until the end of the procedure, the case files are submitted to the following institutions several times: first-instance body – second-instance body – Administrative Court – Senior Administrative Court. This heavily affects the duration of procedures, timely protection of citizens’ rights, as well as the expenses for lodging of files. There are cases when the first-instance bodies neglect the obligations from the LGAP related to first-instance body’s operations on the appeal, and they forward the appeal to the second-instance body.

Other issues regarding administrative justice are included in the 2017 – 2022 Strategy for Reforms in the Judicial Sector with an Action Plan.61

3.3.1.3. Integrity, prevention of corruption and conflict of interests

The Law on Prevention of Corruption (LPC)62 and the Law on Prevention of Conflict of Interests (LPCI)63 govern measures and activities for prevention of corruption and conflict of interest in exercising power, public authorisations, office and politics, as well as measures and activities for prevention of corruption and conflict of interest in exercising public interest matters of the legal entities linked to conduction of public authorisations. LPC governs reporting of administrative officers’ private property.

The body authorised for enforcement of abovementioned laws is the State Committee for Prevention of Corruption (SCPC). In accordance with LPC, SCPC is authorised to monitor and register the private property of the appointed or elected officials, who, in turn, are obliged to file a property register, and have an obligation to initiate a procedure before the Public Revenue Office to investigate the origin of the property, if it is determined that there is a violation of the obligations under the Law during the inspection. The SCPC is also responsible to administer the Register of Elected and Appointed Persons,64 as one of the measures for strengthening transparency. According to the ZSSS, the only measure for violation of the obligations arising from non-compliance therewith is pronouncement of a public reprimand is anticipated in such cases, which results in inefficient prevention and sanctioning of cases of conflict of interest.

The Law on Whistle-Blower Protection65 governs protected reporting, whistle-blowers’ rights, actions and duties of institutions, i.e. legal entities regarding protected reporting, and whistle-blowers’ protection in

64 In compliance with Article 15 from the Law amending the Law on Prevention of Corruption (Official Gazette of RM no. 97/15), the provisions concerning the Register (from Articles 8 and 10 paragraph 2 of this law) were applied one year later from the day of its enactment (the 8th day following its publishing). The Register began its operation on 12.06.2016.
the public and private sector. Adequate regulation of the right to protect public sector employees who have reported suspicion of a crime or illegal and intolerable actions is also included in the Law on Public Sector Employees. The Law on Public Internal Financial Control established a risk assessment and management system on institutional level. In accordance with the Law on Whistle-Blower Protection, SCPC is one of the institutions authorised to provide whistle-blower protection, in terms of accepting applications when the institution that accepted the application did not provide whistle-blower protection, i.e. it is one of the institutions to which a whistle-blower could make a protected, external reporting. Besides the abovementioned authorisations, SCPC is also authorised to monitor application of the Law on Lobbying.

Since discretionary authorisations imply a high corruption risk, in accordance with activities anticipated under the State Program for Prevention and Repression of Corruption and Prevention and Reduction of Occurrence of Conflict of Interests with an Action Plan 2016-2019, SCPC is preparing an analysis of discretionary authorisations of public function holders. The analysis will indicate the extent to which the discretionary authorisations have been reflected in line ministries and in bylaws adopted by managers of the state administration bodies, as well as recommendations for reduction/annulment thereof.

In order to operationalize measures and activities within its competence, the SCPC adopted the State Program for Prevention and Repression of Corruption and Prevention and Reduction of Occurrence of Conflict of Interest with Action Plan 2016 - 2019, which includes a set of measures and activities for prevention and repression of corruption, conflict of interest and strengthening of personal and institutional integrity. The measures for prevention and fight against corruption and conflict of interests are defined in the State Program of SCPC, and this Strategy does not stipulate special measures in this area.

In order to stimulate ethical action and behaviour of the administrative officers and strengthening of citizens’ confidence in public institutions’ operations, a Code of Administrative Officers was adopted, which stipulates ethical standards and rules of administrative officers’ behaviour. LAO anticipates initiation of disciplinary procedure for behaviour contrary to Code provisions. In addition to the generic Code of Administrative Officers, ethical codes for different groups of public sector employees have been adopted. Central authority institutions did not adopt integrity policies, excluding the Ministry of Local Self-Government, and over 40 municipalities have adopted such policies at local level.

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65 Application of the Law on Whistle-Blower Protection (Official Gazette of RM no. 196/15 and its bylaws) (Rulebook on Protected Internal Reporting in Public Sector Institutions, Rulebook on External Reporting and Rulebook on Instructions for Adoption of Internal acts for Protected Internal Reporting in the legal entity within the private sector, all published in the Official Gazette of RM no. 46/16) began on 18.03.2016.
66 Article 30 from the Law on Public Sector Employees (Official Gazette of RM no. 27/14, 199/14 and 27/16).
67 Official Gazette of RM no. 90/2009, 188/13 and 192/15
68 For a successful application of this system, and with a view to assess corruption risks, the TAIEX expert mission on Assessment of Corruption Risks in the Public Sector held on 25.01 - 29.02.2016 resulted in recommendations, as well as the expert visit on 12 - 13.09.2016 within the Regional Program “Capacity Building of Anti-Corruption Bodies in South-Eastern Europe and Strengthening Cooperation Thereof”, prepared by the Regional Anti-Corruption Initiative in cooperation with UNODC that began in December 2015 and will last 37 months.
Notwithstanding the existence of the Code of Administrative Officers, as well as of other codes that regulate the manner of behaviour of different public sectors’ employees, conclusions could be drawn that there are no appropriate indicators and mechanisms, nor institution for monitoring of implementation and for reporting violation of principles stipulated under the codes. Consequently, there is lack of dialogue on a higher political level for strengthening of transparency and integrity and reducing of corruption that would affect the elites.

3.3.1.4 Transparency of institutions and access to public information

The constitutional and positive legal framework for providing accessibility to the public sector’s operations has been stipulated under Article 16 of the Constitution of RM, under the Law on Free Access to Public Information, the Law on Use of Public Sector Information and the Law on Local Self-Government, as well as under other material laws related to specific areas separately.

The Law on Free Access to Public Information provides publicness and openness in the work of information holders and allows natural persons and legal entities to exercise their right to free access to public information. The law stipulates terms of reference, manner and procedure to exercise the right to free access to public information available to information holders. Insight into the requested information is free-of-charge. The Commission for Protection of the Right to Free Access to Public Information (CPRFAPI) is tasked to manage all aspects of implementation of the law. In compliance with the law, CPRFAPI has prepared a List of Information Holders, published and continuously updated on its designated website.

With a view to increase transparency and access to public information, in September 2017, the GRM adopted the Decision amending the Decision for Determining Compensation for Material Expenses for Information Provided by Information Holders. With this decision, the entity that requests public information could electronically obtain the requested information free-of-charge.

Since the adoption of the Law to date, the biggest problem with implementation thereof is “the silence of the administration,” which is the main reason why information requesters appeal to CPRFAPI. This implies that the administration, the civil bodies, and other information holders turn a blind eye to obligations defined under the Law, fail to demonstrate openness and to provide information that citizens have the right to obtain according to the Constitution and the Law.

CPRFAPI has neither the right to oversee implementation of provisions stipulated under the Law, nor to conduct a misdemeanour procedure, as is the case with other state regulatory bodies, nor does it have capacity to monitor whether institutions proactively publish public information. In practice, CPRFAPI also faces a problem in terms of execution of decisions which oblige the information holder to submit the requested information to the requester. Decisions that are final in the administrative procedure could be appealed to the Administrative Court for initiation of an administrative dispute. The Law on Free Access
to Public Information does not prescribe a misdemeanour provision for non-execution of KOMSPI decisions.

Despite existence of legal framework that regulates this issue, free access to public information has been limited due to irregular and insufficient registration, updating and publication of public information available to state authorities and other bodies and organizations stipulated by law, municipal bodies, the city of Skopje, institutions and public services, public enterprises, legal entities and natural persons that perform public authorities stipulated by law as information holders, but is also due to limited administrative capacities. Additional problem is the insufficient proactivity of public information holders to fulfill their legal obligations and competences. A step forward towards solving this problem was the adoption of information from the GRM in September 2017, which obliged ministries to publish on their websites a unified list of 21 documents/acts and materials, which is their law-stipulated obligation.75

The absence of clear criteria for classification of information additionally limits the access to information that are not secured and classified, which results with misuse of this provision in terms of arbitrary and excessive defining of certain classified information, which ultimately depends on discretionary decisions of the information holders. In June 2017, the declassification process started, whereby the ministers were obliged to declassify all information related to expenses for business trips and representation within the ministries. The information of public interest brought by the GRM and related to agreements granting state aid signed between the GRM and the companies/foreign investors in RM were also declassified. Furthermore, in August 2017, the Government began publishing the agenda of its sessions and adopted minutes thereof, which would significantly contribute to strengthening transparency.

The opening of information arising from the operation of public sector institutions and simplifying and streamlining access thereto for all stakeholders guarantee openness and accountability of institutions towards citizens. The Law on Use of Public Sector Information,76 which falls under MISA’s authority, stipulates obligation of public sector institutions to publish public information they develop under their authorities. This enables legal entities or natural persons to use this information and create new information, content, applications or services. Local and central institutions are obliged to publish open information in a computer-readable format in accordance with their technical abilities. In 2014, MISA set an open information platform77 where institutions publish open datasets.

Despite all of the above, the Republic of Macedonia lacks developed open data standards. Therefore, related datasets from different institutions are published with different structures and data descriptions. Furthermore, there is no established licenced open data model, and datasets available on the website www.otvorenipodatoci.mioa.gov.mk are downloaded without license, which could lead to abuse of datasets by institutions that created the same. Finally, there is still low level of awareness of the citizens, the civil society and the business community on the concept of open information and its utilisation.

77See: https://www.otvorenipodatoci.gov.mk There are 154 data sets available.
By accessing the global voluntary initiative for Open Government Partnership\textsuperscript{78}, the GRM confirmed its commitment to continuously improve and build its operations on open, transparent, secure and efficient government institutions that communicate and cooperate with citizens. Although with the implementation of the 3\textsuperscript{rd} National Action Plan for Open Government Partnership 2016-2018\textsuperscript{79} active measures have been taken to solve problems in this area, there is a lack of Open Data Strategy that would act as leading document and would include measures for improvement of central authority institutions’ transparency in order to contribute to better transparency, accountability, corruption prevention and economic development in the country.

3.3.2. Goals and Objectives

Based on the situation analysis, the goal in this priority area is:

- Responsible, accountable and transparent working of institutions

To achieve this goal, the following objectives were set:

\textbf{O 3.1. Developed coherent institutional setup of the state administration bodies, agencies and inspection services of the central government with clearly defined accountability structures}

The focus in attaining this objective will be reorganisation and optimisation of state administration bodies, agencies and inspection services of the central government in order to provide structures with clear accountability and without overlapping or duplicating authorisations, which would contribute to efficient working, clearly allocated authorisations, coordination, management, as well as quality services.

3.1.1. Mapping of institutions in the Republic of Macedonia – clear definition of the institutions’ status, their grouping by type, and preparation and publication of a catalogue.

3.1.2. Reorganization/optimization of civil administration, agencies, and inspection services of the central government – considering the large number of institutions and the period covered under the PAR Strategy 2018 - 2022, this measure is focused on reorganization/optimization of state administration bodies, agencies and central government inspection offices, through conducting horizontal functional review in order to thoroughly analyze the environment that defines the organizational setup and allocation of functions of the bodies (legal framework, authorizations, functions, responsibilities, accountabilities, management, coordination, etc.). After the functional review, a proposal will be developed specifying measures for implementation, regulatory amendments, implementation of activities and monitoring of implementation of all necessary amendments in accordance with the functional review findings.

\textsuperscript{78} See: https://www.opengovpartnership.org/documents/former-yugoslav-republic-of-macedonia-letter-of-intent-join-ogp
O 3.2. Developed effective and efficient mechanisms that provide accountability in state administration bodies, agencies and central government inspection services

To attain this objective, measures will be taken to increase efficiency and effectiveness in the public service, as well as to strengthen responsibility and accountability of management structures in state administration bodies, agencies and central government inspection services, through introduction of result-based management standards.

3.2.1 Increasing the efficiency of the public service – conducting internal functional analysis in state administration bodies, agencies, and central government inspection services, which would include analysis of the internal process and management practices, responsibility/accountability lines, analysis of positions, staffing levels and employees’ profile, as well as monitoring and reporting methods. The functional reviews will be conducted based on uniform methodological approach, that will be verified through implementation of a pilot project at MISA, MFA and MLSP and drafting of a Development Plan in these ministries. After implementation of the functional review in the state administration bodies, the agencies and central government inspection services, a proposal will be developed specifying the approach in implementation of the measures, amendments to the regulations, implementation of the activities and monitoring of introduction of all necessary changes in accordance with functional review findings.

O 3.3 Strengthened integrity of institutions

To attain this objective, measures will be taken aimed to strengthen mechanisms for integrity and ethics on the political and professional level.

3.3.1. Strengthening of integrity and ethics on the political and professional level – by defining a mechanism for risk management and upgrading integrity and ethics policies. Establishing mechanisms and indicators that will enable effective monitoring of the implementation and effects of policies on integrity and ethics on a political and professional level. Promotion of principles of integrity and ethics by means of a specialized training program and capacity building at all levels where there are potential risks of corruption.

O 3.4 Strengthened transparency of institutions and improvement of communication between the institutions, the citizens and the business community

To attain this objective, measures will be taken to ensure citizens’ and business community access to public information and open data.

3.4.1. Strengthening of mechanisms for public information accessibility and of control mechanisms – analysis of the current regulation regarding possibilities and risks of abuse of exceptions for submitting public information and the current setup and responsibilities of the institutions in this area. Introduction of mechanisms for consistent implementation of the regulations and possible options for institutional reorganization in order to strengthen the control mechanisms. Defining clear criteria for distinction and classification of information in order to prevent over-classification of information, preparation of guidelines for all public information holders when defining
information character. Strengthening capacities and raising awareness on the importance of publishing public information by means of promotion and trainings.

3.4.2. Establishing mechanisms for planning, implementation and monitoring of open data principles and strengthening of the citizens’ and business community awareness – preparation of Open Data Strategy, analysis and recommendations for establishment of a single open data platform, preparation of a Data Set Catalogue (databases) of the ministries. Conducting survey on the knowledge and use of open data with citizens and the business community, public discussions and events for promotion and raising awareness of the open data concept.

3.5. Improved efficiency of administrative procedures and consistent implementation of the LGAP

To attain this objective, measures will be taken with a view to strengthen mechanisms and capacities for provision of efficient administrative procedures.

3.5.1. Improvement of the LGAP implementation – analysis and report on the current implementation of the LGAP and establishment of a notification point in MISA for providing practical advice to public bodies on LGAP implementation.

3.5.2. Improvement of the decision-making system in administrative procedure – establishment of organisational forms (sector/departments), as well as job description for decision-making in administrative procedure to enable delegation of authorisations for decision-making by managers in the public bodies and decrease discretion powers in decision-making. Drafting guidelines to define the decision-making processes and to delegate the authorizations for decision-making in administrative procedure.

3.5.3. Improvement of capacities for administrative procedure – trainings for LGAP implementation on all administration levels, both from the aspect of administration and from the aspect of the service users, i.e. parties in the administrative procedures.

3.4. SERVICE DELIVERY AND ICT SUPPORT TO THE ADMINISTRATION

The digital transformation, the global trends for public sector reforms and the increased ICT application transformed the environment in which the public-sector functions. During the last decade, significant attention was paid to reforms aimed at better provision of public services. Considering the fact that competition in the private sector contributed to an increased quality service provision for end users, the citizens expect the same from the public sector.

3.4.1. Situation Analysis

3.4.1.1. Quality and accessibility of services
From a normative aspect, one of the major changes in the past years regarding public administration reforms and its transformation in proper service for the citizens and the business community, was the adoption of the Law on General Administrative Procedure (LGAP), which entered into force on 01.08.2016. The Law regulates all modern institutes that are feature of the European administrative area, as well as those arising from the European Directive on Services. In that direction, appointed and elected persons prescribed compulsory delegation of authority for decision-making in administrative procedures, as well as compulsory collection and exchange of information ex officio. A step ahead, even compared to European experiences, is the legal obligation for compulsory electronic exchange of information and documents between institutions. The special laws were harmonised with the LGAP in terms of simplification of procedures, shortening of deadlines for deciding on cases and strengthening of the mechanism for electronic exchange of information and documents.

Implementation of the law was hampered due to several factors. Firstly, there are special laws that govern certain aspects of procedures, and from which all administrative barriers have not been eliminated. In addition, the Law on E-Management and the Law on E-information and E-signature have to be harmonised with the LGAP, especially in terms of precise directions of the course of the process of giving services due to differences in thoroughness of the first two laws and the LGAP. Secondly, the situation with the needed infrastructure (computers and internet), business e-mail addresses for all employees, is inadequate and does not satisfy the needs for consistent fulfilment of the LGAP obligations, results in difficult e-communication with/between the administration (e-mail, social networks, telephone), and ultimately affects the protection of the citizens’ rights in administrative procedures (see 4.3.1.2 Protection of citizens’ rights). In addition, the service delivery is not unified and is mostly defined on an institution level or organised unit. The documentation of backup operations’ procedures in administrative processes is on a law level, and the conduction of administrative procedures described in internal documents is often complex and difficult to follow. Finally, archiving and office operations with e-documents is not sufficiently regulated and there are no working standards for e-documents’ storage and archiving, as well as for transformation of an e-signed paper document, especially for proving payment of and administrative fee and other fees.

To support the system implementation of LGAP, MISA developed a software solution for administration and management of a Service Catalogue, which will represent a systematised basis of information for all administrative procedures in the country, and that would enable further streamlining of services and
The catalogue does not yet offer comprehensive and updated list of public services that public-sector institutions offer on national level, but it is in the phase of its filling. So far, information from 199 public institutions arising from 26 laws in 6 areas have been entered into the catalogue. The information that will be stored includes: information on legal grounds, names of services, documents and information needed for realisation of each service, legal protection mechanisms, as well as other relevant information.

In terms of safety and protection of personal data, the Law on Personal Data Protection completely transposes the provisions of the EC and Council Directive No. 46/95 and the Council of Europe Convention No. 108/81. The Directorate for Personal Data Protection in 2017 initiated the process for harmonization of the legislative of the Republic of Macedonia in the field of personal data protection with the Acquis of the European Union, which will transpose decisions contained in the General Data Protection Regulation of the European Parliament and the Council of the European Union.

In terms of accessibility to services, both physical and electronic, according to the UN Convention on the Rights of Persons with Disabilities, it is necessary to take appropriate measures to provide persons with disabilities affordability and access on an equal footing with others. The WCAG Standards for web accessibility on the institutions’ websites at the AA level have been adopted, and Guidelines for Accessibility to Web Content have been developed. Unfortunately, the level of access to public services that the institutions offer to persons with disabilities is still very low. Of 144 state administration bodies, only 40 have prepared action plans on accessibility that are monitored at central level. Availability of online services using E-service Accessibility Standards is still at a very low level.

The present institutional commitment, capabilities and knowledge required for reengineering and systematic and regular optimization of the processes and mapping thereof from the aspect of citizens and business entities is at a low level, which further complicates accessibility of the e-services. There is no central body or organizational unit to manage the establishment of the reengineering processes aimed at digital transformation of services. Furthermore, users, i.e. citizens and businesses are not sufficiently involved in defining and/or optimizing the administrative procedures, which leads to lack of understanding of users' needs, and services are created and modified “for them” instead of “with them”.

In addition, when introducing new or modifying existing services, there is no systematic approach to informing the employees in the service provider institution and in other institutions, and the promotion for clients is insufficient. The opportunities offered by communication channels, including modern ones,

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83 See: https://kataloguslugi.mioa.gov.mk/
84 See: https://www.dzlp.mk/mk/domainsi_propisi/
85 EU 2016/679
86 The UN Convention on the Rights of Persons with Disabilities was signed in 2007 and ratified on 5 December 2011. In addition, the Optional Protocol to the Convention on the Rights of Persons with Disabilities was signed in 2009 and ratified on 5 December 2011.
87 See: http://wcag.mioa.gov.mk/
such as social networks, are insufficiently used for promotion of e-services and the benefits they offer, leading to insufficient information for citizens on e-services and poor utilization thereof.

The Law on Introduction of Quality Management System and the Common Framework on Assessment of Work and Service Delivery in the Civil Service\(^8\), which was adopted in May 2013 have laid the foundation for introducing international and national quality management standards (minimum ISO 9001 and CAF). According to MISA records, 51 institutions have thus far introduced ISO 9001 Quality Management Standard, and 29 institutions have introduced CAF. The number of institutions where quality management systems were introduced remains small, and there is a tendency that the implementation of the quality management standards in the institutions is a one-off activity rather than a continuous process. This points to a poor understanding of the benefits of the process, and a poor capacity of the public institutions’ management and employees to introduce quality management systems and tools. Analysis has not yet been conducted at the national level to measure the effects of the introduction of Quality Management Standards in the institutions.

Several initiatives have been taken and projects\(^8\) implemented in the past period aimed at improving the quality management process in the public sector, however, the introduced systems and methodologies for customer satisfaction measurement are not being continuously applied. The measurements are carried out at the level of the institution, and not at the service level or generally at GRM level, because there is no general assessment of the effects of these initiatives.

In order to improve the quality and availability of services, in the course of 2016 the MISA initiated activities for introducing Single Point of Service, which aims to enable citizens and the business sector to receive services from several institutions in one physical place. The concept envisages so called Public Service Halls to be opened in several cities across the country, thus improving regional availability of services. Analyses are being made in relation to the number and type of services, and a pilot project is planned to be implemented in 2018.

### 3.4.1.2. IC Technologies and functioning of the backup processes

In order to establish the basic principles and standards for interoperability, the Macedonian Interoperability Framework for the Macedonian Services\(^9\) was developed, and it was adopted in 2016. The Framework covers all levels of interoperability – technical, semantic, organizational and legal. Pursuant to the Law on Electronic Management, a functional Interoperability Platform has been established wherein 25 institutions now have the opportunity to securely exchange data through 97 developed web services\(^9\).

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\(^8\)See: [http://mioa.gov.mk/?q=node/217](http://mioa.gov.mk/?q=node/217)

\(^9\)These initiatives include: Civil Diary, “Quality Barometer” Methodology, “There is No Wrong Door” Concept, and “Evaluate the Administration” Project.


\(^9\)See: [List of IOP web services](http://mioa.gov.mk/?q=node/4210)
Some of the registers in the state administration bodies are not yet fully digitalized, and many of the existing registers do not meet the required level of quality, which impedes the process of interoperability. The inadequate quality of data in the public registers hinders the ex officio exchange of evidence and data, which is a key prerequisite for the quality of public services. For that purpose, a draft version of the Data Quality Standards in the institutions’ systems has been prepared, covering: data categories, quality data characteristics and transliteration, as well as mechanisms for validation, verification, correction and control thereof. The standards have not yet been adopted and there is no legal obligation in terms of their application.

The national portal of e-services (uslugi.gov.mk) developed in 2005 is technologically outdated and does not offer updated information on the services. Additionally, all existing e-services are available through separate portals of the institutions they are offered by, but only few offer the highest level of sophistication. Development of many separate portals and alignment of functionalities thereof, such as identification and authentication of clients are examples of unproductive and irrational costs. Also, there are no Standards on web-presence, therefore, the portals do not have unified design, which makes them difficult and unattractive for use.

In 2016, MISA started the implementation of a project to support the implementation of the National Portal of E-Services, as well as the establishment of the Central Electronic Population Register as a central database for citizens, which will be used by all institutions for delivery of administrative services. The project also includes creation of a legal framework and is expected to be completed by July 2018.

The lack of solution for electronic identification of citizens at national level further complicates the process of their identification, authentication and electronic signing. The existing solutions for e-identity and e-signature are expensive for citizens even if the number of e-services would increase significantly, which does not contribute to stimulating citizens to use the existing e-services. For the time being, the number of e-services for citizens is significantly lower compared to the number of e-services for businesses.

A number of software systems have been developed in the past period, which provide electronic operation of several government institutions:

- Human Resource Management Information System (HRMIS);
- Multi-platform Collaboration System and E-session, a system used by all authorities in the process of preparing and processing material for a GRM session.
- Document Management System (DMS) that provides electronic design and management of documents, management of part of the working processes in the ministries and keeping an archive of electronic documents.

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93EuropeAid/137521/H4/SER/MK “Support to Public Administration Reform and Reinforcement of MISA Capacities”
95See: hrm.gov.mk
96See: e-vlada.mk
97See: http://dms.gov.mk/taskspace/component/main/?appname=MIOA_DMS
- Enterprise Resource Planning (ERP) System, which includes modules for budget operations, public procurement, material operations, fixed assets and financial operations.

- Learning Management System (LMS)\(^8\) is a platform for e-trainings that employees can be assigned to as part of generic training.

- E-payment System\(^9\) that enables payment of administrative fees via SMS and is mostly used by students to pay administrative fees when applying for exams.

- E-reminder System\(^10\) whereby citizens/companies, after subscribing to the system, receive notification via SMS or e-mail that they approximate the expiration of the validity of a certain document or that the document they applied for had been prepared.

There are weaknesses in the **life cycle management** process of ICT solutions after completion of the implementation projects, which means a lack of planning of financial and human resources for maintenance and upgrades intended for streamlined utilization thereof, including compliance with the effective laws. It is necessary to add that when it comes to procurement of ICT equipment, the Law on Public Procurement is extremely restrictive, in terms of procurement of the best solution and with the projected budget.

An important factor for **digitalization** are the human resources, both the employees who use IT solutions in the execution of their daily tasks and the IT support staff. On one hand, the digital literacy of the administration employees is not at the required level, and on the other hand, the frequent outflow of IT staff from the administration is a condition for which no solution has been found thus far in terms of their motivation and retention. On the labor market, the IT staff demand is big, and therefore, their average salary in the business sector is twice the average salary of the IT staff in administration\(^10\). Moreover, the possibilities for professional development and promotion are incomparably bigger than those in administration.

Finally, strategic level **planning** and monitoring of the implementation and success of the ICT projects is not carried out centrally and continuously, which is also the case with harmonizing and monitoring the application of the adopted standards, nomenclatures and classifications. The consequences are the lack of strategic approach to using existing IT solutions and “smart” spending of resources, unregulated use of Cloud computing in administration and insufficient regulation and commitment to cyber security. All this points to the need for a strategic approach in solving problems, by developing a special strategy for e-government.

### 3.4.2. Goals and Objectives

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\(^8\) See: e-obuki.mioa.gov.mk

See: [http://makstat.stat.gov.mk/pxweb/pxweb/mk/MakStat/MakStat_PazarNaTrud_Pleti_MesecevaBrutoNeto/12S_PazTrud_Mk_bruto_mtl.px/?rvid=46ee0f64-7992-4b45-a269-c6e3f7ec5f]
Based on the situation analysis, the goal in this priority area is as follows:

**Delivery of services in a fast, simple and easily accessible way**

**O 4.1. Rational investment in development of digital environment**

This objective implies planned, organised and centralised coordination of digital transformation to ensure constant development and improvement of service quality and sustainability of public investments in ICT, as follows:

**4.1.1. Strategic approach in the digital transformation process** – analysis and preparation of strategic documents for development of services and e-Government, for digital transformation and regulation of cloud infrastructure in the central and local authority.

**4.1.2. Centrally coordinated management of projects within the e-Government and ICT area** – situation analysis concerning IT staff with recommendations and measures for keeping and motivating the IT staff in administration, study for possible options for institutional solution and recommendations for central coordination and management of projects in this area.

**4.1.3. Improvement of e-communication channels in administration** – provision of technical preconditions for official e-communication and harmonisation of normative acts that regulate office and archive operations, standardisation of rules for utilisation of e-communication in administration.

**4.1.4. Implementation of environmental standards in administration operations** – conduction of a cost-effectiveness study for implementation of environmental standards and their development with guidelines for their implementation.

**SO 4.2. Increased quality and availability of public services**

This implies ensuring quality and availability of public services, customer-tailored and in line with the expectations of end users, including persons with disabilities. Planned measures for attaining this objective are the following:

**4.2.1. Improved accessibility of institutions for all citizens** – introduction and implementation of web-presence standards in institutions, including standards for persons with disabilities, through development of web-presence standards, reorganisation, and standardisation of webpages after a conducted analysis, as well as application of standards for physical access to institutions.

**4.2.2. Improvement of the quality management system** – analysis of the current quality management system application and common framework for assessment of operations and service delivery,
4.2.3. **Standardisation of data in public registers and unified delivery of services** - introducing data quality standards and service delivery standards.

4.2.4. **Streamlining of services** – reengineering of services for their digitalisation, whereby service users will be of the focal point of the process, cataloguing public services and reconsidering the amount of fees for e-services, digitalisation of services.

4.2.5. **Introducing of “Single point of services” centres** - reducing the contact points between citizens and institutions by introducing “Single Point of Services” centres, analysis of experiences from the pilot project and further definition of the concept, as well as gradual increase of the number of services offered in such manner.

4.2.6. **Notifying the administration and the public on services** – establishment of a system for regular notification that would encompass definition and operationalisation of notification channels and, regular and timely trainings for employees, regular promotion of news on public services, etc.

4.2.7. **Measuring customer satisfaction** – continuous use of customer satisfaction measurement instruments, primarily through analysis, review and development of the existing customer satisfaction measurement instruments (Quality Barometer, Evaluate the Administration, etc.) and by providing a mechanism for using the findings in the development and improvement of the existing services.

**SO 4.3 Developed digital setting that provides access to and possibility for using e-services.**

The third objective implies building a functional infrastructure for delivery of e-services to clients, through digitalization of all required components. Measures to be taken for this priority are the following:

4.3.1. **Increasing the number of highly sophisticated e-services available in one place** – creating a National Portal of e-Services, development of new e-services with high level of sophistication and integration of the existing e-services with adequate legal support. The legislation on personal data protection will be observed in the process of development of electronic services and appropriate technical measures will be implemented in order to prevent potential abuse of personal data.

4.3.2. **Introducing an electronic identity for using e-services** – an informed selection and implementation of an optimal solution in accordance with good European practices and the conditions in the country.
4.3.3. **Digitalising service registers** – prioritisation of core registers that are not in a digital form, harmonisation of legal provisions with the needs of digitalisation, and digitalisation of registers in accordance with adopted and existing standards, as well as maintenance, application and update of the Population Register. When designing and implementing the application solutions that will use data from digital registers, technical, administrative and organisational measures will be applied to reduce the risk of unauthorised access to data in the registries.


An integral part of the PAR Strategy 2018 - 2022 is the Action Plan of the PAR Strategy 2018 - 2022, which defines measures and activities, leading bodies authorised for implementation of activate, as well as other bodies that will be included in the implementation. In addition to these information, the Action Plan defines the start date and the deadline for implementation of the activities, assessment of needed assets, source of financing, and indicators for measurement of the achievement of measures and goals.

Aware of the importance of monitoring the achievement of results, special attention in the first year of implementation will be paid to defining the baseline values of defined indicators. This will enable defining of targets that would give a clear image of the improvement in the implementation of measures and goals.

The timeframe of the Action Plan is 5 years, i.e., it corresponds to the timeframe of the PAR Strategy 2018 - 2022. Due to detailed definition of implementation of measures and activities, annual Operational Plans will be prepared for each area, with detailed elaboration of steps and deadlines for implementation of activities and indicators for measurement of progress and success in the attainment of goals. The PAR Strategy Action Plan and the operational plans will be a tool for annual monitoring and reporting on the progress of the PAR Strategy 2018 - 2022 implementation. MISA, as the ministry authorised for management and monitoring of the PAR implementation, will provide timely preparation of the operational plans.

The role of the leading bodies authorised for implementation is to conduct and coordinate measures and activities in the respective priority area, monitor implementation, collect information for measurement of the implementation efficiency and prepare reports. The bodies that participate in the implementation of adequate measures and activities will be part of working groups and will contribute to monitoring, efficiency measurement and preparation of reports.

4.2. **Coordination and Management**
In order to successfully coordinate and manage the PAR process, it is of particular importance to establish an appropriate structure with clearly defined roles and responsibilities.

**Public Administration Reform Council**

For the purpose of attaining goals set forth by the PAR Strategy 2018 - 2022, but primarily for coordination of the overall PAR process at the political level; a Public Administration Reform Council will be established.

Due to the complex and horizontal nature of PAR, the political leadership is located with the President of the Government of the Republic of Macedonia who will chair the Public Administration Reform Council (PAR Council).

The Council will also include the Deputy President of the Government appointed for European affairs; the Deputy President of the Government appointed for implementation of the Framework Agreement; the Minister of Information Society and Administration; the Minister of Foreign Affairs; the Minister of Justice; the Minister of Finance; the Minister of Labour and Social Policy; the Minister of Local Self-Government; the Secretary General of the Government; the Secretary of the Secretariat for Legislation; the Director of the Agency for Administration and representative from the Association of Local Self-Government Units (ALSGU). If necessary, the chairman of the Council may invite representatives of the civil society or other relevant actors and stakeholders to the sessions. The main role of the PAR Council will be to ensure:

- Coordination of the public administration reform process;
- Interconnectivity and alignment of strategic documents (strategies, programs, plans, policies, etc.) in the field of public administration reform;
- Coherent planning of the public administration reform, the budget and the process of Euro-integration of the Republic of Macedonia;
- Monitoring the implementation of the PAR Strategy Action Plan (2018 - 2022) and providing recommendations to the Government of the Republic of Macedonia for taking appropriate measures to reduce the risks in case of non-implementation or difficulties in implementation of planned objectives and measures;
- Prioritization of key steps in the process of public administration reform;
- Reviewing the effects of the implemented reform activities in various areas of the public sector affecting the public administration; and
- Directing further public administration reform planning cycles.

The PAR Council in principle shall hold sessions twice a year: the first session in February/March and the second session in October/November, in order to assess the progress made in the PAR implementation, but also to ensure horizontal connectivity of the priorities and the results of the PAR Strategy 2018 - 2022 Action plan and other strategic documents relevant for the PAR process within the strategic and budgeting planning cycle.

The agenda, minutes and conclusions of PAR Council sessions shall be published on websites of MISA and the GRM.
With the establishment of the PAR Council, the existing Public Administration Reform Committee\(^\text{102}\) will no longer be needed.

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**PAR Secretariat**

Professional and technical support to the PAR Council will be provided by the PAR Secretariat guided by the Minister of Information Society and Administration, and composed of senior administrative officers from the institutions – holders/participants in the activities defined under the PAR Strategy Action Plan 2018 - 2022.

The PAR Secretariat shall perform the following activities: give opinion on the mutual connectivity and alignment of strategic documents (strategies, programs, plans, policies, etc.) relevant to the public administration reform process; issue recommendations for priorities in the public administration reform process; from a professional perspective, coordinate and harmonize planning and implementation of the

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\(^{102}\) Decision to establish State Administration Reform Committee, number 19-3647/1 from 14 July 2009, published in the „Official Gazette of RM“, no. 89/2009.
public administration reform and the process of EU integration of the Republic of Macedonia; review reports of monitoring and implementation of the PAR Strategy Action Plan 2018 - 2022 and issue recommendations to the PAR Council regarding assessments on the improvement in implementation of the PAR Strategy 2018 - 2022 and Action Plan; initiate and recommend undertaking measures in case of risks arising from non-implementation or difficulty in implementing the planned goals, measures and activities; give instructions for implementation of Action Plan measures and activities to the PAR Team and PAR contact persons form institutions holders of and participants in activities; review effects of implemented activities in different areas of the public sector that affect the public administration, and give recommendations to the PAR Council for taking necessary steps and their coordination, and issue recommendations for directions on further public administration reform planning cycles.

**Ministry of Information Society and Administration**

The MISA is the key institution responsible for managing and monitoring the PAR implementation process in the Republic of Macedonia. All other institutions involved as holders or participants in the activities will be responsible for implementation thereof.

Taking into account recommendations issued by the European Commission for strengthening the internal capacities of MISA for implementation and monitoring of the public administration reform, a PAR team shall be established, which shall be responsible for: monitoring and coordinating the implementation of the PAR Strategy Action Plan 2018 - 2022; mandatory consultation and harmonisation of priorities and goals of the PAR Strategy 2018 - 2022 with the Decision whereby the Government annually sets its strategic priorities and priority goals; assessing the impact of the GRM strategic priorities in relation to the PAR; collecting data and preparing progress reports for the PAR Secretariat, the PAR Council and the GRM; cooperation and coordination of the PAR support projects financed by the international community and donors; ensuring regular communication with the PAR contact persons from relevant institutions; and cooperation with all participants in the PAR process.

**4.3. Monitoring, Reporting and Assessment**

The MISA will conduct monitoring and reporting on the PAR process.

The monitoring of the PAR process will include collection of data on the level of implementation of the activities and identification of possible risks that might arise from unrealized activities or unachieved results, not only by institutions holders of and participants in activities anticipated under the Strategy, but also by civil organizations that conduct activities for monitoring and implementation of the PAR Strategy and process.

The MISA should submit a Report on Implementation of the PAR Strategy Action Plan 2018 - 2022 to the PAR Council every six months and to the Government of the Republic of Macedonia once a year. The reports will be published on MISA’s and GRM’s designated websites.
This will provide an overview of the level of implementation in the priority areas and will confirm plans for further implementation of the PAR Strategy 2018 - 2022 and will further be submitted for discussion and verification by the PAR Council. The Government will guide the PAR process, at the proposal of the PAR Council, by adopting conclusions.

For reporting purposes, the MISA Team will electronically collect data from PAR contact persons, and their accuracy and promptness of information will be confirmed with an official note from the institutions. In addition, by announcement of a public call for civil society organizations, MISA will electronically collect data from civil society organizations that will be considered during report preparation. After the assessment, collected data will be integrated into the PAR Strategy 2018 - 2022 implementation reports.

The purpose of the assessment will be to take stock of the specific progress and/or lack thereof in the priority areas. The evaluation will be conducted by independent experts in the medium term (every two years) and following expiration of the PAR Strategy 2018 - 2022 timeframe. The PAR Strategy Action Plan 2018 - 2022 will be subject to review based on the reports on the level of implementation and the assessment findings, i.e. defining the basis for the next strategy.

With a view to ensure transparency and inclusiveness in the monitoring and reporting process, the MISA will regularly cooperate with all stakeholders. Namely, twice a year (after submitting the reports on the implementation of the PAR Strategy 2018 - 2022 Action Plan to the PAR Council), public hearings will be held on the level of implementation and the achieved results of the PAR Strategy 2018 - 2022, and the proposals for review of the PAR Strategy 2018 - 2022 Action Plan. The public hearings will be open to all stakeholders (institutions responsible for implementation, end-users, expert and scientific public, civil society representatives, chambers of commerce, trade unions, etc.)

4.4. Budget

The total amount of funds planned for conduction of measures and realization of activities anticipated under the PAR Strategy 2018 - 2022 Action Plan amount to 2,364,700.00 MKD.

Area 1, Policy-making and coordination – 791,252,500.00 MKD;
Area 2, Public service, and human resource management – 24,319,000.00 MKD;
Area 3, Responsibility, accountability, and transparency – 384,327,300.00 MKD;
Area 4, Service delivery and IKT support to administration – 1,164,784,900.00 MKD.

Of the total amount of funds necessary for realization of activities in 2018 - 2022, 807,589,500.00 MKD will be provided by the Budget of the Republic of Macedonia, 1,332,750,000.00 MKD by EU funds and instruments, and 224,644,200.00 MKD by other donations. The total amount of funds that will be provided from the Budget of the Republic of Macedonia for 2018 is 4,439,167.00 MKD.

Funds for certain activities included in the calculation have not been confirmed yet and will be considered as potential funds, which represent a financial gap of 841,348,833.00 MKD.
4.5 Risks in Attainment of = PAR Strategy 2018 - 2022 Objectives

Risks that would significantly impact successful implementation and achievement of results were determined during the implementation of analyses of the PAR Strategy 2018 - 2022.

These are the risks and the proposed manner for reduction thereof:

- **MISA capacities for coordination and monitoring** – coordination and monitoring of the Action Plan implementation is a complex task, which requires dedication and constant capacity building. At present, MISA’s capacities to fulfil this task are weak. While forming the PAR Team, special attention will be paid to its staffing with administrative officers with expertise in the appropriate priority area who will be able to truly manage, coordinate and monitor the process, as well as report on the progress. In addition, guidelines, training, and tools will be prepared for efficient fulfilment of their tasks.

- **MISA capacities for implementation of measures and activities in priority areas** – MISA is the key ministry for implementation of most of the measures and activities. Analyses indicate that the relation between the assisting and technical staff and the experts committed to creation and coordination of policies is inadequate. In the following period, attention will be paid to staffing and building capacities in departments within the ministry that will be directly included in implementation of measures and activities.

- **Practice and mechanisms for coordination and cooperation between institutions** – coordination between institutions is weak and insufficient. The complexity of PAR imposes the need for strengthened coordination mechanisms. There is a need to increase awareness that the reform is a task that requires joined-up efforts, and this is a precondition for successful implementation of the measures and activities. The political level should also contribute to awareness change. Special attention, especially in the initial phase of reforms’ implementation, will be paid to strengthening of coordination mechanisms. PAR coordinators (contact persons) will be appointed within bodies participating in the reform, and they will cooperate and coordinate with the structures in their organizations and the appropriate departments, as well as with the PAR Team in MISA, in order to provide successful management of the process. Coordination mechanisms will include organization of consultations, coordination meetings, trainings, guidelines and other tools, which would contribute to more efficient coordination.

- **Financial assets for reform implementation** – the lack of required financial assets is a serious risk for achievement of planned results. Careful annual planning of measures and activities through preparation of operational plans (see item 4.1 above) and conducting fiscal impact assessments
will be vital integral part of the Action Plan implementation. Also, funds will be anticipated under the medium-term budget planning framework, and the possibility to introduce of a separate budget program aimed at public administration reform will be considered in order to clearly allocate the necessary funds for the reform. In this way, the funds from the Budget of RM could be timely anticipated, and funds which could be provided via the IPA program and other donors could be planned and programmed.