

PUBLIC ADMINISTRATION 2022

PUBLIC ADMINISTRATION REFORM STRATEGY 2018 – 2022

## Table of Contents

<b>SUMMARY .....</b>	<b>4</b>
<b>1. INTRODUCTION .....</b>	<b>7</b>
<b>1.1. Drafting Process and Methodology .....</b>	<b>8</b>
<b>2. STRATEGIC FRAMEWORK.....</b>	<b>10</b>
<b>3. PRIORITY AREAS OF THE PAR STRATEGY 2018 – 2022 .....</b>	<b>11</b>
<b>3.1. POLICY MAKING AND COORDINATION.....</b>	<b>13</b>
<b>3.1.1. Situation Analysis .....</b>	<b>13</b>
<b>3.1.2. Goal and Objectives .....</b>	<b>19</b>
<b>3.2. PUBLIC SERVICE AND HUMAN RESOURCE MANAGEMENT .....</b>	<b>23</b>
<b>3.2.2. Goal and Objectives .....</b>	<b>29</b>
<b>3.3. RESPONSIBILITY, ACCOUNTABILITY AND TRANSPARENCY.....</b>	<b>33</b>
<b>3.3.1. Situation Analysis .....</b>	<b>33</b>
<b>3.3.2. Goal and Objectives .....</b>	<b>40</b>
<b>3.4. DELIVERING SERVICES AND ICT SUPPORT TO THE ADMINISTRATION .....</b>	<b>43</b>
<b>3.4.1. Situation Analysis .....</b>	<b>43</b>
<b>3.4.2. Goal and Objectives .....</b>	<b>48</b>
<b>4. IMPLEMENTATION OF THE PAR STRATEGY 2018 - 2022 .....</b>	<b>51</b>
<b>4.1. Action Plan for the PAR Strategy 2018 – 2022 .....</b>	<b>51</b>
<b>4.2. Coordination and Management .....</b>	<b>51</b>
<b>4.3. Monitoring, Reporting and Assessment .....</b>	<b>54</b>
<b>4.4. Risks in Achieving the Goals of the PAR Strategy 2018 – 2022 .....</b>	<b>55</b>

## List of Acronyms

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

## SUMMARY

---

The Public Administration Reform 2018-2022 Strategy defines the 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 the performance. The quality of policies and laws and their effectiveness and transparency are crucial to economic development and social well-being. Therefore, the first priority will be the enhancement of the analytical capacities in the ministries and other state administration bodies for quality implementation of the RIA, harmonization of legislation, effective monitoring and transparent reporting on the performance. Additionally, measures will be taken to further enhance the capacity of the State Statistical Office and other stakeholders in the statistical system to produce credible and relevant statistical data, aligned with the Acquis, as the basis for fact-based decision-making and policy implementation analysis. Special attention will be paid to strengthening the existing mechanisms, and finding innovative ways for efficient involvement of stakeholders in all phases of the planning and policy-making process. In order to effectively support the Government in decision-making, the structure and administrative capacities for carrying out the 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.

Priority measures in the field of **Public Service and Human Resource Management** will be aimed at depoliticizing the administration by promoting selection, recruitment and promotion procedures based on merit, equal and fair treatment, and adequate and equitable representation of members of the communities. Particular attention will be paid to professionalization of senior management structures through clear distinction between the political and professional levels, as well as through the introduction of a senior civil service category, by defining and regulating transparent and competitive merit-based procedures. In order to achieve better efficiency and professionalism, the evaluation system of administrative officers will be redefined, which will set the basis for remuneration based on performance so that it could be connected to the salary system in the later stages of the reform. At the same time, definition of the salary system and preparation of the Law on Salaries in the Public Sector will be initiated in order to establish a fair system of salaries based on the principle "equal salary for equal work" in the administration, but will also include components for reward based on performance. To ensure sustainability in capacity building in the administration, the work will be focused on building an operational and functional system for training of administrative officers, which will have the necessary capacities to ensure systematic and continuous professional development of administrative officers.

To achieve the defined goals in the priority area **Responsibility, Accountability and Transparency**, measures will be taken for reorganization and optimization of 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 provision of services. In addition, measures will be taken to increase the efficiency and effectiveness, and enhance the responsibility and accountability of the management structures in state administration bodies, agencies and inspection services of the central government by introducing standards for result-based management. All this will be supported by introducing mechanisms and legislation and by building capacities of the management structure. In order to strengthen the transparency and achieve greater openness of the administration, measures aimed at reducing the possibilities for malpractice of the exceptions for delivering information by defining clear criteria for distinction and classification of public information will be implemented. At the same time, an Open Data Strategy will be drafted by establishing a single open data platform. The quality of services for citizens and the protection of their rights will be improved through measures to strengthen the mechanisms and capacities for ensuring efficiency in the implementation of administrative procedures.

To achieve the defined goals in the priority area **Delivery of Services and ICT Support to Administration**, measures will be taken for planned, organized and centralized coordination of the digital transformation in order to ensure continuous development, improved quality of services and sustainability of public investments in ICT. In addition to developing strategic documents for development of services and e-Government, for digital transformation and regulation of “Cloud” infrastructure, possibilities will be analysed for retention and motivation of IT staff in the administration. In order to improve the availability of services to citizens, standards for web-presence of institutions will be defined and introduced, including standards for persons with disabilities, by developing standards for web-presence, reorganization and standardization of websites. At the same time, reengineering of services will be undertaken with a view to their digitalization, where the service users will be at the center of the process. To reduce the contact points between service users and institutions, “Single Point of Services” will be introduced, and the number of services offered in this way will gradually increase. A National Portal for e-Services with new e-services will be developed at a high level of sophistication and integration of existing e-services, with appropriate legal support. In addition, the key registers that are not in a digital form will be prioritized, legal provisions will be harmonized with the needs for digitalization and digitalization of registers in accordance with adopted and existing standards, and the Central Electronic Population Register will be established, updated and maintained. The service user satisfaction will be continuously monitored and a mechanism will be provided for using the findings in the development or improvement of the services. An analysis will be conducted regarding the application of the quality system and a common framework for work assessment and provision of services, and mechanisms will be defined for expanding the number of certified bodies and for continuous application of the system.

For attainment of the goals of the PAR Strategy 2018-2022, but primarily for coordination of the overall PAR process at the political level, a **Council for Public Administration Reform** has been formed, chaired by the President of the GRM, and composed of ministers from institutions that are responsible and/or participate in the implementation of the activities listed in the Strategy. The main role of the PAR Council is to ensure interconnectivity at the political level and harmonization of the strategic documents pertaining to 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 in order to undertake appropriate measures for risk reduction in the event of non-implementation or difficulties during the implementation of the anticipated objectives and measures; prioritization of the key steps in the process of public administration reform; consideration of the effects of the implemented reform activities in various areas of the public sector that are reflected in the public administration; and steering further cycles of public administration reform planning. Expert and technical support to the PAR Council is provided by the **PAR Secretariat**, composed of senior administrative officers from institutions responsible or participating in the activities defined in the Action Plan of the PAR Strategy 2018-2022.

For **implementing and monitoring** the public administration reform, **PAR Team** has been established in the Ministry of Information Society and Administration – as a key institution for managing and monitoring the implementation of the process. The PAR team is tasked to: monitor and coordinate the implementation of the Action Plan of the PAR Strategy 2018-2022; obligatorily consult and harmonize the PAR Strategy 2018-2022 priorities and goals with the Decision by which the Government annually defines its strategic priorities and priority goals; assess the impact of the GRM strategic priorities in relation to the PAR; collect data and prepare reports on the achieved progress intended for the PAR Secretariat, the PAR Council and the Government of RM; cooperate and coordinate projects in support of PAR financed by the international community and donors; ensure regular communication with the PAR contact persons from relevant institutions and cooperate with all participants in the PAR process.

**Monitoring and reporting** on the PAR process is carried out by the Ministry of Information Society and Administration, which submits a Report on the 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 are published on the Ministry of Information Society and Administration and GRM websites. Evaluation will be performed by independent experts in the medium term (in two years), and after the 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 considered, that is, the basis for the following strategy will be defined.

# 1. INTRODUCTION

---

Public Administration Reform (PAR) is a continuous process of reorganization of the public sector institutions and improvement of their administrative capacity, and also one of the key priorities in the Accession Partnership and an important prerequisite for the Euro-integration of the Republic of Macedonia. Initiatives for modernization and improvement of administration are constantly on the agenda. Civil and public administration are seen as the basis of the overall public sector on which the processes and development depend in every democratic society. 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 strategies for public administration reform. Through the implementation of the first PAR Strategy adopted in 1999, although with unspecific timeframe, foundations were laid for the legal and institutional framework necessary for initiating 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 their implementation.

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 completely violated, and the strong partition 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<sup>1</sup>.

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 standstill and a downturn in the Euro-integration processes; full partisanship of public administration through 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 2016 Report on the Republic of Macedonia by the European Commission<sup>2</sup> concludes that the country is moderately prepared in regard to public administration reform and that a certain, but still 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

---

<sup>1</sup> European Commission: 2016 Report on the Republic of Macedonia. See: [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key\\_documents/2016/20161109\\_report\\_the\\_former\\_yugoslav\\_republic\\_of\\_macedonia.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2016/20161109_report_the_former_yugoslav_republic_of_macedonia.pdf)

<sup>2</sup> Ibid

current social situation. The requirements of the Urgent Reform Priorities of the European Commission for the Republic of Macedonia<sup>3</sup> in items A and B, Chapter: Depoliticisation 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 merit based.

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.”<sup>4</sup>

Consequently, the measures envisaged in 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<sup>5</sup>, the Urgent Reform Priorities for the Republic of Macedonia, the recommendations of the Senior Experts Group<sup>6</sup> and the SIGMA assessment mission reports<sup>7</sup>, as well as the contributions of the consulted stakeholders involved in the process, following the guidelines contained in the Work Programme of the Government of the Republic of Macedonia (2017-2020), and in Plan 3-6-9 of the Government of the Republic of Macedonia<sup>8</sup>.

### 1.1. 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 formed, which received guidance from SIGMA as to the drafting of the Strategy, the

---

<sup>3</sup> See: [https://eeas.europa.eu/sites/eeas/files/urgent\\_reform\\_priorities\\_en.pdf](https://eeas.europa.eu/sites/eeas/files/urgent_reform_priorities_en.pdf)

<sup>4</sup> Work program of the Government of the Republic of Macedonia 2017-2020, page 35. See:

[http://vlada.mk/sites/default/files/programa/2017-2020/ProgramaVlada2017-2020\\_08062017.pdf](http://vlada.mk/sites/default/files/programa/2017-2020/ProgramaVlada2017-2020_08062017.pdf)

<sup>4</sup> Work Programme of the Government 2017-2020, page 35. See: [http://vlada.mk/sites/default/files/programa/2017-2020/ProgramaVlada2017-2020\\_08062017.pdf](http://vlada.mk/sites/default/files/programa/2017-2020/ProgramaVlada2017-2020_08062017.pdf)

<sup>5</sup> See: [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key\\_documents/2015/20151110\\_report\\_the\\_former\\_yugoslav\\_republic\\_of\\_macedonia.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2015/20151110_report_the_former_yugoslav_republic_of_macedonia.pdf) и [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key\\_documents/2016/20161109\\_report\\_the\\_former\\_yugoslav\\_republic\\_of\\_macedonia.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2016/20161109_report_the_former_yugoslav_republic_of_macedonia.pdf)

<sup>6</sup> See: [https://eeas.europa.eu/sites/eeas/files/urgent\\_reform\\_priorities\\_en.pdf](https://eeas.europa.eu/sites/eeas/files/urgent_reform_priorities_en.pdf); и [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/2017.09.14\\_seg\\_report\\_on\\_systemic\\_rol\\_issues\\_for\\_publication.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/2017.09.14_seg_report_on_systemic_rol_issues_for_publication.pdf)

<sup>7</sup> See: <http://www.sigmaweb.org/publications/public-governance-monitoring-reports.htm>

<sup>8</sup> See: <http://vlada.mk/plan-3-6-9>

<sup>9</sup> "Support for drafting the Public Administration Reform Strategy 2017-2022 and relevant documents for planning as well as action documents from the IPA 2 Public Administration Sector"



manner of its structuring, and the key reform areas. The draft of this Strategy was also revised by experts through EU-funded expert assistance<sup>9</sup>.

The drafting 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 reform 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 an announcement for the opening 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 drafting 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 issued a call to the 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. The main resources for the work of the groups, in addition to the expertise of their members, were the various SIGMA reports (assessments, recommendations and analyses of the situation), the EC reports on Macedonia and a number of other relevant documents.

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 Programmed 2018-2021 (MoF)<sup>10</sup>; the Draft Public Internal Financial Control Policies from 2018 to 2020 (MoF)<sup>11</sup>; the Draft Strategy for Reforms in the Judicial Sector for the period 2017-2022 (MoJ)<sup>12</sup>, the State Programme for Prevention and Repression of Corruption and Reduction of Conflict of Interests with the Action Plan for 2016-2019 (SCPC)<sup>13</sup>, the National Action Plan for Open Government Partnership 2016-2018 (MISA)<sup>14</sup>, etc. The goals and objectives in the priority areas defined in the PAR Strategy 2018-2022 are aligned with the goals defined in these strategic documents.

---

<sup>9</sup> „Support in the development of the Public Administration Reform Strategy 2017-2022 and relevant documents for planning and action documents from the IPA 2 Public Administration Sector “

<sup>10</sup> Available at: [http://finance.gov.mk/files/Programa%20za%20upravuvanje%20so%20javnite%20finansii%202018-2021\\_0.pdf](http://finance.gov.mk/files/Programa%20za%20upravuvanje%20so%20javnite%20finansii%202018-2021_0.pdf)

<sup>11</sup> MF started drafting this document that is to be adopted by GRM by the end of March 2018

<sup>12</sup> Available at: <http://pravda.gov.mk/documents/%CD%E0%F6%F0%F2-%D1%F2%F0%E0%F2%E5%E3%E8%BC%E0%20%E7%E0%20%F0%E5%F4%EE%F0%EC%E0%20%ED%E0%20%EF%F0%E0%E2%EE%F1%F3%E4%ED%E8%EE%F2%20%F1%E5%EA%F2%EE%F0.pdf>

<sup>13</sup> Available at: [https://dksk.mk/fileadmin/Drzavni\\_programi/Drzavna\\_programa\\_2016-2019.pdf](https://dksk.mk/fileadmin/Drzavni_programi/Drzavna_programa_2016-2019.pdf)

<sup>14</sup> Available at: <http://www.mio.gov.mk/?q=node/4176>

## 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 THE 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 in each of the priority areas defined in the PAR Strategy 2018-2022 will contribute to substantial improvement and development of the situation 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 strengthen the confidence in the institutions through efficient delivery of quality services. The institutions will be reorganized in a manner that will ensure optimum utilization of available resources, thereby increasing the efficiency and cost-effectiveness in their work.

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

The following principles will be at the core of the continued efforts to achieve the goals and measures in the priority areas of the PAR Strategy 2018-2022 and for transformation of the public administration:

- **Commitment to achieving the vision** – which means commitment on the political and administration level in achieving 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 it 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 means active involvement and inclusion of the civil society, the business sector and other stakeholders in the process of policy making;

- **Digitalization** – the provision of quality, fast and easily accessible services will rely on modern technologies and their innovative use through 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 provision of services to citizens and the business community.

### 3. PRIORITY AREAS OF THE PAR STRATEGY 2018 – 2022

---

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

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

Each of the first four areas is elaborated in detail in a separate chapter of the PAR Strategy 2018-2022. Public Finance Management reform, together with the measures for its implementation are systematically elaborated in a separate Public Finance Management Reform Programme<sup>15</sup>.

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 way.**

In accordance with the set goals, the PAR Strategy 2018-2022 anticipates the following **results**:

---

<sup>15</sup>Ministry of Finance of the Republic of Macedonia, Public Finance Management Reform Programme 2018-2021. See: [http://finance.gov.mk/files/Programa%20za%20upravuvanje%20so%20javnite%20finansii%202018-2021\\_0.pdf](http://finance.gov.mk/files/Programa%20za%20upravuvanje%20so%20javnite%20finansii%202018-2021_0.pdf)

- **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 negotiation process with the EU;**
- **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 in 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 in the interest of 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<sup>16</sup> through which effective mechanisms and procedures for implementation and monitoring of the process are ensured, with appropriately established competence.

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

- The General Secretariat (GS) of the GRM, which coordinates the preparation of the strategic plans and the Annual Work Programme of the Government of the Republic of Macedonia (AWPGRM), supports the monitoring of the GRM work and provides expert assistance in the decision-making process, coordinates the communication of the government with the public and manages the 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 of the fiscal impact of legislative proposals;
- The Ministry of Information Society and Administration (MISA), which coordinates the LIA process and checks the quality of the conducted analysis process;
- The Secretariat for European Affairs (SEA), which coordinates the preparation and monitoring of NPAA and examines the compliance with the European legislation and the obligations deriving from the SSA;
- Legislature Secretariat (LS), which ensures consistency of the legal system, the nontechnical standards, and inspects and verifies the degree of compliance of the national with the European legislation.

---

<sup>16</sup> Law on the Government of RM, Law on Budgets, Rules of Procedure of the Government of the Republic of Macedonia, Methodology for Strategic Planning and Preparation of the Annual Work Programme of the Government of the Republic of Macedonia, Guidelines on the Form, Content and Manner of Preparation of Strategic Plans of the Ministries and Other Civil Administration Bodies, Guidelines on the Manner of Acting of the Ministries and Other State Administration Bodies in the Preparation and Monitoring of the Implementation of the Annual Work Programme of the Government of the Republic of Macedonia, Guidelines for Development of Strategic Plans of the Ministries and Other State Administration Bodies, Methodology for Assessment of the Legislation Impact (Official Gazette of the Republic of Macedonia No. 107/2013), Guidelines on the Manner of Acting in the Work of the Ministries in the Process of Assessing the Legislation Impact (Official Gazette of the Republic of Macedonia No. 106/2013), Decision on the Form and Content of the Report on Assessment of the Legislation Impact (Official Gazette of the Republic of Macedonia No. 106/2013), Methodology for Evaluating the Implementation of the Legislation, MISA, 2013

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 the establishment of strategic priorities and priority goals for each fiscal year, based on the strategic commitments arising from the Government's four-year Work Programme, analysis of the level of achievement of Government's strategic priorities in the previous year, followed by preparation of strategic plans<sup>17</sup> 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 the preparation of the Annual Work Programme of the Government (AWPG), which should include the planned initiatives that the Government will consider in the course of the following year and for which the ministries have budgeted funds.

Despite clear procedures and existence of mechanisms and institutions that need to ensure horizontal coordination of the policy planning and coordination system, problems<sup>18</sup> have been identified that relate to:

- mid-term budget planning and projection, as well as connectivity between sectoral policies and the Budget<sup>19</sup>;
- 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 the evidence-based analyses, as well as 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 of their competence and on the basis of which the budget should be planned in the respective area. However, this process is carried out formally, without paying enough attention to the interconnectedness of governmental and sectoral priorities, the planned and undertaken activities for the next period with appropriate allocation of the necessary funds<sup>20</sup>. 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

---

<sup>17</sup>Strategic plans are not a substitute for strategic documents of sectoral nature, but rather define measures and activities at the level of the institution that provide connection with the strategic documents, the Budget and the Annual Work Programme of the Government.

<sup>18</sup>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)

<sup>19</sup> See: Public Finance Management Reform Programme, page 8, <http://www.finance.gov.mk/mk/node/6631>

<sup>20</sup> See: Public Finance Management Reform Programme, page 32, <http://www.finance.gov.mk/mk/node/6631>

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 **sectoral level planning**, there is inconsistency in the planning approach, which often lacks analyses of the financial sustainability of the strategies, as well as the framework for performance monitoring and measuring. The lack of legislation<sup>21</sup> for preparation of sectoral strategies significantly prevents the measurement of success in achieving sectoral policy goals and their linking with the government priorities.

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. Proposals of new laws and/or law amendments not planned with 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 in the last few years. 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 starting the 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<sup>22</sup> adopted 1070 laws, only 64 of which derived from NPAA, which is 5.9% of the total number of laws adopted in that period.

The Regulatory Impact Assessment (RIA)<sup>23</sup> 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 set RIA procedures is evident. Although in the period between 2014 and 2016 there was a trend of increase of 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 analysis-supported.

In terms of the **RIA quality**, the MISA analyses<sup>24</sup> regarding the content of the RIA Reports indicate that the explanations for the legal proposals, goals, reasons, options and possible impacts are general and insufficiently elaborated, while the data on the fiscal, economic, social and other impact do not offer enough information for making informed decisions. In addition to the limited information provided in the

---

<sup>21</sup> 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.

<sup>22</sup> Annual Reports on the Work of the Parliament of RM for the following periods: 1.01.2016-17.10.2016, 1.01.2015-31.12.2015 and 10.05.2014 – 31.12.2014, <https://www.sobranie.mk/godishen-izveshtaj.nsp?x>

<sup>23</sup> LIA is a process for systematic identification and assessment of the expected impact of draft legislation through the use of consistent analytical methods. LIA is a comparative process that is based on defining the goals to be achieved by the legislation and finding possible ways for their achievement, in order to systematically select the most efficient and effective way to achieve the goal of the draft legislation.

<sup>24</sup> Information on the progress and implementation of the Project – Legislation Impact Assessment for 2014, 2015 and 2016

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.

	Total number of laws adopted by GRM that are subject to RIA	Draft laws submitted to GRM with a RIA Report	Documents published on SNERR	Draft laws submitted to MISA for opinion
2014	335	77 (22%)	114 (32.6%)	40 (11.4%)
2015	566	234 (41.3%)	136 (24%)	80 (14.1%)
2016	252	135 (53.6%)	21 (8.3%)	76 (30.2%)
2017	11	9 (81%)	7 (64%)	7 (64%)

Source: MISA, Regulatory Reform Department

Out of a total of 284 draft laws established by the Government in the period January-December 2016, 252 draft laws were subject to RIA. Of these, 135 draft laws (53.6%) were submitted to the GRM together with a RIA Report, 21 draft laws (8.3%) were published on SNERR or only a Notification for start of the draft law preparation process was published, and 76 draft RIA Reports (30.2%) were submitted to the MISA for opinion<sup>25</sup>.

The inconsistency in the observance of the legislative procedure arising from inadequate management of the processes in the ministries and skipping steps in the legislative drafting procedures, as well as the 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 with the EU legislation** in the ministries are limited. The analysis<sup>26</sup> shows that the poor professional and analytical capacities refer to: 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 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 that the level of cross-sector and inter-departmental coordination and consultation is unsatisfactory, especially in the preparation of legislative solutions in NPAA and the monitoring of the legislative procedure through all steps in the legislative process (from initiation to adoption and publication in the "Official Gazette of the Republic of Macedonia").

<sup>25</sup> In accordance with the data received from SNERR, the General Secretariat of the GMR and the data available in the MISA

<sup>26</sup> Survey conducted as part of the Twinning Project "Further strengthening of the institutional and organizational capacities in the European integration" sampling 300 administrative officers from about 50 bodies



One of the problems that the ministries encounter when preparing the RIA and the draft laws is the **lack of credible and relevant statistical data**. Credible and relevant statistical data, aligned with the EU legislation should be produced within the **national statistical system**, which is coordinated by the State Statistical Office (SSO), and the other institutions participate in it. At the moment, not all necessary indicators are produced in the national statistical system due to the 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 done in a systematic manner and in accordance with the international classifications and standards.

The lack of data and capacity for conducting analyses is particularly present with the analyses of the fiscal impact of policies and laws. There is also an evident lack of standardized data on the 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, Political System Committee, 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, out of 1070 laws adopted by the eighth parliamentary composition of the Parliament of the Republic of Macedonia<sup>27</sup>, the Government of the Republic of Macedonia was the proposer of 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 GRM Rules of Procedure which defines the criteria regarding 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 through the work of the General Collegium of State Secretaries, and from a political point of view through 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 concentrate on major political issues that are important for achieving the national priorities and Government's four-year Programme.

---

<sup>27</sup> Report on the Work of the Eighth Parliamentary Composition of the Parliament of the Republic of Macedonia, 10.05.2014 – 17.10.2016, <https://www.sobranie.mk/godishen-izvestaj.nspix>

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 the material considered in the decision-making process. 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”<sup>28</sup>.

However, the problems with the planning, policy making and coordination described in the text above, indicate that the coordination of policies and draft laws is weak, especially with regard to the content of the material. Also, burdening the 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 the stakeholders. The methodology and regulations governing the LIA process also envisage 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)<sup>29</sup> 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 shows 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 GRM Work Plan and the planned legislative programme through the Annual Plan for Implementation of the LIA. 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 GRM work.

Draft laws, together with the RIA Report, are most often published on the same day when the draft law enters the government procedure. In the last three years, despite the MISA efforts, there has been a steady decline in the number of published laws on SNERR, from 32.6% of the total laws established by the Government in 2014 to 8.3% in 2016<sup>30</sup>. This data clearly indicate the disavowing of the LIA process. Other modalities for involvement of stakeholders and consultations, like participation in working groups, public

---

<sup>28</sup> Institution or a group of institutions with competences deriving directly from the competences of the Government, as a collective body, and the competences of the Prime Minister. The purpose of the Centre of Government is to provide support to the Government and the Prime Minister in exercising the competence for activity coordination of the ministries aimed at efficient and effective performance.

<sup>29</sup> <https://ener.gov.mk>

<sup>30</sup> See Table above in item 3.1.1.1. Strategic planning, creation and coordination of policies

hearings, etc. are rarely used, and there are no consultations whatsoever in the process of development of draft bylaws.

The situation analysis regarding 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 law<sup>31</sup> and regulations<sup>32</sup> 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 provide for 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 reporting<sup>33</sup>, 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. *Goal and Objectives*

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

<b>Effectively, efficiently and inclusively designed policies</b>
---

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

##### ***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 also with sectoral strategies, enhancement of institutional and

---

<sup>31</sup> Law on the Government of the Republic of Macedonia, Law on Organization and Work of State Administration Bodies, Law on Budgets

<sup>32</sup> Rules of Procedure of the Government of the Republic of Macedonia, Guidelines on the manner of acting of ministries and other state administration bodies in the preparation and monitoring of the implementation of the Annual Work Programme of the Government of the Republic of Macedonia, Methodology for evaluating the implementation of legislation, MISA, 2013

<sup>33</sup> See: Methodology for strategic planning and preparation of the Annual Work Programme of the Government of the Republic of Macedonia

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 linking the mid-term, 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) and with sectoral strategies. The mechanisms will include the annual planning and reporting process, as well as the monitoring and 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 drafting of regulations that will provide a standardized approach in the planning and preparation of sectoral strategies by defining the elements to be included in strategies such as: quality of analyses, costing and the necessary means for implementation, horizontal coordination, setting of performance indicators, as well as monitoring and evaluation mechanisms. There is preparation of a regulation that will define the strategies as an act of the Government.

**1.1.2. Improving the processes and capacities for midterm, 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, preparation of training programs and their implementation in order to strengthen the administrative capacity (staffing, delivery of generic and specialized trainings, counseling and other tools), and defining mechanisms for sectoral and cross-sectoral coordination and cooperation.

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

To achieve this objective, measures will be implemented, aimed at enhancing institutional and administrative capacities for creating analysis-based policies, strengthening the mechanisms for coordination and monitoring of policies and laws, and 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 the 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, their quality transposition in the national legislation in order to have an appropriate level of compliance; improvement of the legislative procedure and uniform application of the existing nomo-technical regulations by finding appropriate 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** – review of the situation and defining a mechanism and a regulation that will provide for 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 in order to facilitate the fiscal impact assessment 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. Defining a system that 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. 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 of stakeholders 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, implementing quality control of the policies and draft laws, controlling the fulfilment of the formal requirements for the materials determined by The Rules of Procedure of the Government and the content of the same, as well as in strengthening the 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 the 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 the GRM** - based on analysis, preparation of regulations in order to increase the efficiency of the work of the standing committees of the GRM and 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 for delegating competences of the GRM to the ministries related to administrative issues will be defined and regulated. Specialized activities for the state secretaries will be designed and carried out, which will raise the awareness and capacities for the role of the General Collegium of State Secretaries in the process of coordination of policies and decision-making process.
- 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 consistency of the legal system.

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

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 basis for making evidence-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, increase the number of indicators with the 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 on business, social and environmental statistics, adoption of new methodologies, as well as improving the existing and providing 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 capacity, as an integral part of the public administration reform, means 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 the classification, status, rights and obligations, and the segments of human resource management (employment, promotion, mobility, salaries and rewards, 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)<sup>34</sup> systematically and uniformly regulates the principles, classification, records, as well as the rights and duties and the mobility of the public sector employees. The Law on Administrative Officers (LAO)<sup>35</sup> regulates the status, classification, employment, promotion, professional development and training, the effect management and other matters related to the employment of administrative officers. The subject of this law is also the status and the competence of the Agency for Administration (AA). Following its adoption, 54 current and 4 new special laws (albeit not to the same extent) have been harmonized with the LAO.<sup>36</sup>

The institution responsible for implementation of the LAO is the MISA, which has a wide range of responsibilities, including the design 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 in the public sector. The 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 that organizes, coordinates and implements the procedures for selection and recruitment of candidates for administrative officers, and exceptionally, at the request of the institutions, also for public sector employees who do not have the status of administrative officers. In addition, as a decision-making body in the second instance, AA provides protection of administrative officers' rights. Taking into account the novelties regarding the procedure for selection of candidates for employment, the existing application was upgraded and adjusted to meet the requirements for issuing a public announcement for employment of administrative officers; and staffing, spatial and technical conditions have also been provided.

---

<sup>34</sup>See: [http://mioa.gov.mk/files/pdf/dokumenti/zakoni/zvis/ZVJS\\_konsolidiran\\_11042017.pdf](http://mioa.gov.mk/files/pdf/dokumenti/zakoni/zvis/ZVJS_konsolidiran_11042017.pdf)

<sup>35</sup>See: [http://mioa.gov.mk/files/pdf/dokumenti/zakoni/zas/ZAS\\_konsolidiran\\_13012017.pdf](http://mioa.gov.mk/files/pdf/dokumenti/zakoni/zas/ZAS_konsolidiran_13012017.pdf)

<sup>36</sup>List of laws compliant with the LAO and LPSE

The procedure for **recruitment** of candidates for administrative officers starts with the issuing of a public announcement<sup>37</sup>, and the selection is conducted by a Committee for selection of candidates for administrative officers that consists of employees from: AA, the institution for whose needs the public announcement was issued, and by the Secretariat for Implementation of the Framework Agreement (SIFA), in case of employment in a state administration body. The secretary, that is, the manager of the institution makes a decision for selection that is submitted to the selected candidate and published on the website and on the announcement board of the AA.

Since 1 August 2016, when the new employment procedures came into force, it has been noted that the overly detailed legislation and the excessively high standards<sup>38</sup> for selection and recruitment of administrative officers that are in place only complicate the procedure, not significantly contributing to merit-based employment. The requirements for fulfillment of the special conditions<sup>39</sup> are also ineffective. This also means a financial burden for the candidates, with no certainty for secure employment, which results in a lack of competent candidates that meet the general and special requirements in the job vacancies. What turned out to be a challenge, from the very few procedures<sup>40</sup> carried out so far, is the poor interest of candidates to apply to the announcement. This is due to the candidates' mistrust in the impartiality of the selection procedure, but also the high criteria and standards in place, as well as the high score threshold that candidates need to achieve at the selection stages. Since 1 August, 2016, 91 public announcements have been issued 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, that is, appropriate candidates were not selected<sup>41</sup>.

Apart from the conditions for employment, not always objective and insufficiently competent and trained selection committees, particularly with regard to conducting a structured competence-based interview, leads 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 through temporary employment agencies and by implementing the Law on Transformation into Full-Time Employment<sup>42</sup>. Namely, in 2015 and 2016, outside the set provisions for selection and recruitment, without established criteria and through 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

---

<sup>37</sup>Announcements are published on the AA website and in at least three daily newspapers

<sup>38</sup>For example, the part of the exam for testing intellectual capability and the personality test

<sup>39</sup>Such as internationally recognized certificates of knowledge of one of the three world languages (English, French and German) and computer programs for office work.

<sup>40</sup>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

<sup>41</sup>Ibid

<sup>42</sup>"Official Gazette of the Republic of Macedonia" number 20/2015



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<sup>43</sup> 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 (state secretaries, general 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<sup>44</sup>. Except for the general and special conditions, 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. The establishment of clear rules and criteria for selection of the best candidate for a managerial position in the administration would contribute to limiting the political influence in the process of appointment and dismissal.

The **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 consists of two stages: 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 for selection and a decision for promotion of the respective administrative officer. The current rigid solution whereby an administrative officer can be promoted through internal announcement only one level up 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 few levels up. 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 Committee for Promotion are sometimes an issue, which leads to the possibility of discretionary decision-making when proposing a candidate for promotion.

A mechanism for implementation of the constitutional **principle for equitable representation of members of the communities** has been established in each of the institutions in the public sector. The *Employment Planning Methodology in the Public Sector* was adopted in 2016 *in accordance with the principle for equitable representation, as well as the form, content and template of the annual employment plan and the Report on the Implementation of the Annual Plan for Employment*<sup>45</sup>, which obligates the institutions, starting from 2017, to plan employment based on a realistic assessment of the needs. Additionally, a web tool BalanceER has been developed, used for the electronic distribution of planned new employments, in accordance with the need to achieve equitable representation at the level

---

<sup>43</sup>The category “Senior Administrative Service” includes: secretaries, directors of bodies within the ministries and other state administration bodies, and heads of sectors.

<sup>44</sup>List of laws that contain general and special conditions for directors.

<sup>45</sup>See:

[http://mioa.gov.mk/files/pdf/dokumenti/pravilnik/zvjs/Metodologija\\_za\\_planiranje\\_na\\_vrbotuvanjata\\_vo\\_javniot\\_sektor\\_sl63\\_01042016.pdf](http://mioa.gov.mk/files/pdf/dokumenti/pravilnik/zvjs/Metodologija_za_planiranje_na_vrbotuvanjata_vo_javniot_sektor_sl63_01042016.pdf)

of the institution. The basis for planning the representation of members of the communities at central or local level are the 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 MISA, SIFA, MoF and the Employment Agency in charge of coordinating the deployment process.

The **evaluation** model of administrative officers is a modification of the 360° model and it 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 assessing the effect of administrative officers. All administrative officers are evaluated once a year, except the “A” category – secretaries and office staff. 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** shows that the process is too complex and complicated to apply, both in terms of human resource engagement, and in terms 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, unnecessarily established was the percentage ratio between the evaluation by the immediate supervisor and the evaluation by the other evaluators. 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 the 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 and allowances exclusively for the group of administrative officers. For the other groups of public sector employees, which constitute the predominant number of employees in the public sector, the right to salary is defined by special laws (for example the Law on Internal Affairs, Army Service Law, etc.), while the components of salaries and allowances, the method of their calculation, and their amount are regulated by collective agreements, rulebooks, decisions, etc. When issuing a public announcement 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 from the aspect of 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 personnel employed with budget beneficiaries.

Such a 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: “the organizational units for human resource management are organized in a Network of Organizational Units for Human Resource Management (HRM Network) chaired by the State Secretary for Information Society and Administration”. In the past period, the 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 the 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 mentioned 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, having in mind the limited administrative capacities of the MISA. Although there is an organizational form for management of the HRM Network, there are no employees in it. Experience so far has shown that direct communication is a preferred approach when it comes to exchange of information and experience, at the expense of 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, at the same time 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, conduction of the effect management process, calculation of wages and generation of different reports' types.

However, although HRMIS is a good platform for the 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 Employees<sup>46</sup>, according to which 1,291 institutions are active, with 129,653 employees. However, information presented in the Report was not obtained by their entering into the system by authorised officials, but 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 these 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 the insufficient training of persons authorised to work with this system in the institutions.

Besides HRMIS, the Public Sector Working Posts Catalogue has been established <sup>47</sup>, which represents a systematised list of all public institutions' working posts classified by: groups, subgroups, categories and levels (with activity code, i.e., the type of institution in which the working posts are, based on the previous classification set forth in the specific 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 biggest part of the activities for management of employees' abilities development.

MISA is authorised to coordinate generic trainings of administrative officers. A Training Sector has been formed (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), which MISA adopted, and of the Annual Plan for Training of Administrative Officers (APT) adopted by the intuitions. Namely, APT 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 from the Framework of General Working Competences<sup>48</sup>, which predetermine what generic trainings are available for administrative officers.

For the first time, training and exam for administrative management has been established as part of the system for improvement of executive officers. Besides the traditional training method, there is also distance learning. E-learning could be conducted through two E-Systems: Micro-learning and Learning

---

<sup>47</sup> See: [http://www.mioa.gov.mk/files/dokumenti/KATALOG\\_NA\\_RABOTNI\\_MESTA\\_21012016\\_v8.pdf](http://www.mioa.gov.mk/files/dokumenti/KATALOG_NA_RABOTNI_MESTA_21012016_v8.pdf)

<sup>48</sup> See: [http://mioa.gov.mk/files/pdf/dokumenti/pravilnik/zas/pravilnik\\_za\\_ramkata\\_na\\_opsti\\_rabotni\\_kompetencii\\_sl142\\_26092014.pdf](http://mioa.gov.mk/files/pdf/dokumenti/pravilnik/zas/pravilnik_za_ramkata_na_opsti_rabotni_kompetencii_sl142_26092014.pdf)

Management System (LMS). A system solution for mentoring of officers has been implemented, as well as Register of Mentors.<sup>49</sup>

However, there are several problems that make the conduction of the **professional development system** difficult. One of the key problems is the practical realisation of the administrative officers' professional development within the determined scope. Namely, the request for conduction 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, meets serious problems due to short deadlines prescribed in 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 for relevant statistical data production.

Regarding the **institutional capacity for conducting training**, the 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 for professional development. In addition, the status, the rights, and the obligations of the trainers have not been regulated.

### 3.2.2. Goal and Objectives

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

<b>Expert and professional administration free from political influence</b>
---

To achieve this goal, the following objectives were set:

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

To achieve this objective, measures will be taken to reduce risks of party influence in the administration, through enhanced procedures for selection, employment and promotion, based on the principles of merits, equal and fair treatment, as well as equitable representation of community members. The measures will also include professionalisation 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 foreseen in 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

---

<sup>49</sup><http://www.mioa.gov.mk/?q=node/4210>

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.

**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 for grading competencies 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. Professionalisation of senior management structures** – regulation of the clear distinction between the political and professional management level, as one of the depoliticisation measures. Defining and regulating of transparent and competitive procedures based on merits in the process of selection, appointment, promotion, mobility and termination<sup>50</sup> 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 using 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 of the protection mechanisms and sanctioning of undue actions and behaviour during the selection procedures.

**2.1.4. Strengthening of selection committees' capacities** – conducting training needs assessment, designing and delivering training for the selection committee members, as well as preparation and distribution of manuals, guidelines and other practical tools for selection procedures. 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 its members. 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 the human resources organisational units for implementation of laws. Analysis and improvement of HRMIS and the Working Posts Catalogue, to increase their utilisation in all aspects of the human resources management process.

---

<sup>50</sup> Sector managers, general and state secretaries and directors of bodies within ministries, autonomous bodies of the state administration and administrative organisations

**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 salaries’ system in the next stages of the public administration reform process.

**2.1.7. Improvement of the principle for equitable representation** – analysis of the current Methodology for planning of employments in the public sector in accordance with the principle of equitable representation and its qualitative improvement and development of other measures for continuous implementation of the principle of equitable representation of community members.

### ***O 2.2. Designed and regulated coherent system of salaries for public sector employees***

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.

**2.2.1 Preparation of regulation for the new salary system** – conducting analysis of the current legal framework of the existing salaries’ 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 Working Posts Catalogue. Defining elements of the new system of salaries (basic salary, allowances) 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. Taking into account the budget constraints, conducting extensive fiscal impact assessment and simulations based on the defined proposal elements for the new salary system. Establishing a single salary system framework for all employees in the public sector, that is, 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 achieving this objective will be focused on building an operational 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 of administrative officers' categories** – development of adequate programs and modules for training of special 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 “pool” 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 their recruitment.



### 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<sup>51</sup>. 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 the establishment of modern democratic system based on the rule of law. The framework of the **institutional organisation** of the executive authority is set in the Law on Organisation and Operation of State Administration Bodies (LOOSAB), as well as in a series of special laws that regulate different social areas. Namely, the 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 it is subjected to frequent amendments. This results in inconsistent realisation of these civil bodies' functions, inefficient spending of public assets and not always prompt and quality provision of services to the citizens and the businesses.

The parallel existing of LOOSAB and many *lex specialis* blurred the distinction between the different types of bodies and institutions. When forming bodies/institutions with special laws, attention was not paid to the hierarchical set up, bodies' subordination, overlapping authorities, strict authority of departments and/or adequate allocation of bodies/institutions' functions, which in practice results in serious problems related to execution bodies' and institutions' basic functions. This situation is result of reckless adoption of laws and non-implementation of the LIA 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 not also 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 shows the need for implementation of horizontal functional review<sup>52</sup>, to set up an analytical basis for solving these problems.

---

<sup>51</sup> 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

<sup>52</sup> Horizontal functional review focuses on the distribution of functions between institutions. Most often, in this process, the objectives and responsibilities of the institutions covered by the review are analyzed to determine whether the distribution of responsibilities is rational without duplication and / or lack of functions. The horizontal functional review may also focus on analyzing the extent to which all ministries have the same methods of defining relationships with the constituent bodies or the degree to which financial relationships and lines of accountability between ministries and bodies within the system are comparable throughout the system.

<sup>51</sup> 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

In accordance with the LOOSAB, the monitoring of operations is focused only on the legality and the efficiency of operations<sup>53</sup>. Although mid-term Strategic plans prepared by budget beneficiaries offer basis for **result-based reporting**<sup>54</sup>, the process of the mid-term strategic planning in the state administration bodies is formal, and the reporting is not on the desired level (see 3.1.1.1. above), with plans not containing performance indicators.

The high level of **politicisation**, 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 general/state secretaries and institutions' managers) undermines the accountability. In addition, there is absence or limited **delegation of responsibilities** from the top to the middle management staff<sup>55</sup>. Although the legal framework gives basis for decentralising and deconcentrating authorities and delegating authorisations, the administrative culture and the understanding of the managers that they need to control every financial or business decision, results with reduced efficient working and creates possibilities for discretionary or biased decision-making.

#### *3.3.1.2. Protection of citizens' rights*

The amendments to the Law on the Ombudsman<sup>56</sup> created preconditions for obtaining status A for the National Institution for **Human Rights**, from normative aspect. With the changes, the mandate of the **Ombudsman** has been extended 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<sup>57</sup>, the largest number i.e., 1764 (46%), refer to rights violations by public offices and institutions, 1142 (30%) refer to rights violations by the central government institutions, and 306 petitions (8%) refer to rights violations by the local government. Of the completed 3756 proceedings in 2016, in 1358 (36%) cases the Ombudsman determined human freedoms and rights violations for which adequate measures were taken, and his recommendations were accepted.

---

<sup>52</sup> Horizontal functional analysis focuses on the distribution of functions between institutions. Most often, in this process, the objectives and responsibilities of the institutions covered by the review are analyzed 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 have the same methods of defining relationships with the constituent bodies or the degree to which financial relationships and lines of accountability between ministries and bodies within the system are comparable throughout the system.

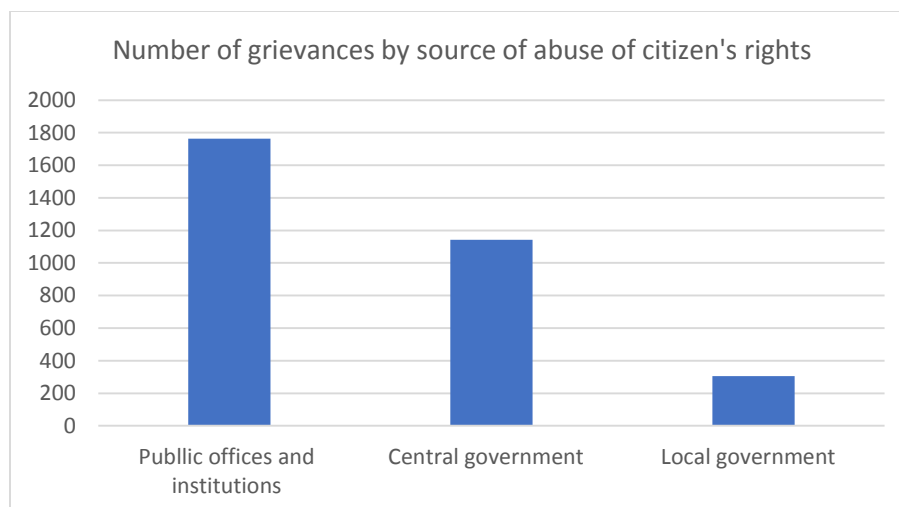
<sup>53</sup> Article 38, paragraph 1, Law on Organisation and Operation of State Administration Bodies, Official Gazette of RM no.

<sup>54</sup> See: Methodology on strategic planning and preparation of the annual work program of the Government of the Republic of Macedonia

<sup>55</sup> European Commission: Report on the Republic of Macedonia 2016 (pp. 15)

<sup>56</sup> Amendments to the Law on the Ombudsman

<sup>57</sup> Ombudsman, Annual report on the level of respect, improvement and protection of human rights and freedoms, 2016



In general, there is a growth in accepted individual recommendations for elimination of rights violations by the state administration bodies and other public bodies and organisations, but this is not the case with the recommendations regarding Individual reports and research for determined negative situations. To overcome such situations, the amendments 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 the accountability and the control of the Parliament of the Republic of Macedonia over the executive authority.

The **legal protection** of citizens, as a constitutionally guaranteed right, is secured through 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** showed problems in its practical application. Due to institutions' technical not being prepared, the mandatory electronic communication between public bodies has not been conducted yet (see item 3.4.1.1). Precisely, the deadline<sup>58</sup> for adopting a decision upon a submitted request by the party in first-instance procedure, i.e., ex officio, was often prolonged. In addition, the LAGP envisions an obligation for the body to which the request is submitted, to provide and show evidence for deciding on the case ex officio, which in practice all bodies do not completely realise, and the parties usually complete all necessary documents/evidence by themselves.

In terms of **administrative procedures with the second-instance bodies**, documents relevant for deciding on a case are often missing. When acting upon an appealed case, the second-instance body should several

<sup>58</sup>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

times address the first-instance body just to complete all necessary files. This refers to irresponsible behaviour of the management of the first-instance body and the 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 submission 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 several times submitted to the following institutions: 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 submission of files. There are cases when the first-instance bodies neglect the obligations from the LGAP referring 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.<sup>59</sup>

#### *3.3.1.3. Integrity, prevention of corruption and conflict of interests*

The Law on Preventing Corruption (LPC)<sup>60</sup> and the Law on Preventing Conflict of Interests (LPCI)<sup>61</sup> govern the measures and activities for preventing corruption and conflict of interest in exercising power, public authorisations, office and politics, as well as measures and activities for preventing 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 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,<sup>62</sup> as one of the measures for transparency strengthening. According to the ZSSS, as a measure for violation of the obligations arising from non-compliance with the same, only a 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-blowers' protection**<sup>63</sup> governs protected reporting, whistle-blowers' rights, actions and duties of institutions, i.e., legal entities regarding protected reporting, and whistle-blowers'

---

<sup>59</sup>See: <http://pravda.gov.mk/resursi.asp?lang=mak&id=14>

<sup>60</sup> Official Gazette of RM no. 28/2002, 46/2004, 126/2006, 10/2008, 161/2008, 145/2010, 97/15 and 148/15

<sup>61</sup> Official Gazette of RM no. 70/2007, 114/2009, 6/12 and 153/15

<sup>62</sup> In accordance with Article 15 from the Law on Amendments to the Law on Preventing Corruption (Official Gazette of RM no. 97/15), the provisions regarding the Register (from Articles 8 and 10 paragraph 2 of this law) started to be applied one year later from the day of its enactment (the 8<sup>th</sup> day from its publishing). The Registrar started working on 12.06.2016.

protection in the public and private sector.<sup>64</sup> Adequate regulation of the right to protect public sector employees who reported suspicion of a crime or illegal and unacceptable actions is also included in the Law on Public Sector Employees.<sup>65</sup> With the Law on Public Internal Financial Control<sup>66</sup> a risk assessment and management system<sup>67</sup> has been established on institutional level. In accordance with the Law on Whistle-blowers' protection, SCPC is one of the institutions authorised for whistle-blowers' protection in terms of accepting applications when the institution that accepted the application did not provide whistle-blowers' protection, i.e., it is one of the institutions to which a whistle-blower could make a protected, external reporting. Besides the abovementioned authorisations, SCPS is also authorised to monitor the application of the Law on Lobbying.

Since **discretionary authorisations** represent a risk of high corruption, considering the activities foreseen in the State Program for Prevention and Repression of Corruption and Prevention and Reduction of the Conflict of Interests with an Action Plan for 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 the portfolio ministries and in by-laws adopted by managers of the state administration bodies, as well as recommendations for their reduction/annulment.

In order to operationalize the measures and activities within its competence, the SCPS adopted the State Program for Prevention and Repression of Corruption and Prevention and Reduction of the Occurrence of Conflict of Interest with the Action Plan 2016 - 2019, which contains a set of measures and activities for prevention and repression of corruption, conflict of interest and strengthening of personal and institutional integrity<sup>76</sup>. The measures for prevention and fight against corruption and conflict of interests are defined in the State Program of SCPS, 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<sup>68</sup> was adopted, which prescribes ethical standards and rules of administrative officers' behaviour. LAO envisions initiation of discipline procedure for behaviour contrary to the Code provisions. Besides the generic Code of Administrative Officers, ethical codes for different groups of public sector employees have been adopted. The central authority institutions did not adopt integrity policies, excluding the Ministry of Local Self-government, and more than 40 municipalities that adopted such policies locally.

---

<sup>64</sup> The application of the Law on Whistle-blowers' protection (Official Gazette of RM no. 196/15 and its by-laws) (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 Official Gazette of RM no. 46/16) started on 18.03.2016.

<sup>65</sup> Article 30 from the Law on Public Sector Employees (Official Gazette of RM no. 27/14, 199/14 and 27/16)

<sup>66</sup> Official Gazette of RM no. 90/2009, 188/13 and 192/15

<sup>67</sup> For a successful application of this system, and towards assessment of corruption risks, the TAIEX expert mission on Assessment of Corruption Risks in the Public Sector and held from 25.01-29.01.2016 resulted with recommendations, as well as the expert visit on 12/13.05.2016 within the Regional Program "Capacity Building of Anti-Corruption bodies in South-eastern Europe and Strengthening of their Cooperation", prepared by the Regional Anti-Corruption Initiative in cooperation with UNDOC that started in December 2015 and will last 37 months.

<sup>68</sup> See [http://mioa.gov.mk/files/pdf/dokumenti/pravilnik/zas/kodeks\\_za\\_administrativni\\_sluzbenici\\_sl183\\_12122014.pdf](http://mioa.gov.mk/files/pdf/dokumenti/pravilnik/zas/kodeks_za_administrativni_sluzbenici_sl183_12122014.pdf)

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, we could conclude that there are no appropriate indicators and mechanisms, nor institution for monitoring of implementation, as well as for reporting violation of principles prescribed with the codes. Consequently, there is a 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 governed in Article 16 of the Constitution of RM, in the Law on Free Access to Public Information<sup>69</sup>, the Law on Using Public Sector Information<sup>70</sup> and the Law on Local Self-government, as well as in other material laws referring to specific areas separately.

The **Law on Free Access to Public Information** provides public availability and openness of the information holders' operations and enables legal and physical entities to realise their right to free access to public information. The Law governs the conditions, the manner and the procedure for realisation of the right to free access to public information owned by information holders. The insight in the requested information is free of charge. The Commission for Protection of the Right to Free Access to Public Information (KOMSPI) takes care of the implementation of the Law. In accordance with the Law, KOMSPI prepared a List of information holders, which is published on its website, and it is constantly updated.

To increase transparency and access to public information, in September 2017, the GRM adopted the Decision<sup>71</sup> for Amendment to 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, the biggest problem with its implementation is "the silence of the administration," which is the main reason why information requesters appeal to KOMSPI. This means that the administration, the civil bodies, and other information holders are ignorant toward the obligations defined in the Law and do not give information, which the citizens have the right to obtain according to the Constitution and the Law.

KOMSPI neither has the right to watch the conduction of Law's provisions, nor to conduct a misdemeanour procedure, as it is the case with other state regulatory bodies, and does not have the capacity to watch whether institutions proactively publish public information. In practice, KOMSPI faces a problem in terms of execution of decisions which oblige the information holder to submit the requested information to its requester. The 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.

---

<sup>69</sup>Law on Free Access to Public Information („Official Gazette of RM," no.13/2006, 86/2008, 6/10, 42/14, 148/15);

<sup>70</sup>Law on Using Public Sector Information („Official Gazette of RM," no. 27/2014)

<sup>71</sup> See: <http://vlada.mk/node/13343>

Besides the legal framework that regulates this issue, the **public information access** has been still limited due to irregular publishing by institutions, but also due limited capacities in terms of human resources. Additional problem is the insufficient proactivity of public information holders to fulfil their legal obligations and authorities. A step further towards solving this problem was the adoption of information from the GRM in September 2017, which obliged the ministries to publish on their websites a unified list of 21 documents/acts and materials that the ministries are obliged to publish in accordance with the Law.<sup>72</sup>

The absence of **clear criteria for information classification** 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, during which the ministers were obliged to declassify all information related to expenses for business trips and representation of the ministries. The information of public interest brought from the GRM and related to agreements granting state aid concluded between the GRM and the companies/foreign investors in RM were also declassified. Furthermore, in August 2017, the Government started publishing the agenda of its sessions and adopted minutes, which would significantly contribute to transparency strengthening.

The **opening of information** arising from public sector institutions' operations and the enabling of their easy and simple access for all stakeholders guarantee the openness and accountability of the institutions towards citizens. The Law on Using Public Sector Information,<sup>73</sup> which is MISA's authority, prescribes the obligation of public sector institutions to publish public information they create under their authorities. This enables legal or physical entities 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 platform<sup>74</sup> where institutions publish open data sets.

Regardless of the above, the Republic of Macedonia has no standards for open information. Therefore, related data sets from different institutions are published with different structures and data descriptions. Furthermore, there is no established licenced model for open information, and the data sets from the website [www.otvorenipodatoci.mioa.gov.mk](http://www.otvorenipodatoci.mioa.gov.mk) are downloaded without license, which could lead to abuse of data sets by institutions that created the same. Finally, the awareness of the citizens, the civil society and the business community of the concept of open information and its utilisation is still on a low level.

By accessing the global voluntary initiative for Open Government Partnership<sup>75</sup>, 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

---

<sup>72</sup> See: [http://www.mioa.gov.mk/files/pdf/dokumenti/Lista\\_na\\_informacii\\_od\\_javen\\_karakter.pdf](http://www.mioa.gov.mk/files/pdf/dokumenti/Lista_na_informacii_od_javen_karakter.pdf)

<sup>73</sup> This law is in accordance with the Directive 2003/98/EU of the European Parliament and the Council on reuse of public sector information, the Directive 2013/37/EU of the European Parliament and the Council for amendment to the Directive 2003/98/EU on reuse of the public-sector information.

<sup>74</sup> See: <https://www.otvorenipodatoci.gov.mk>. There are 154 data sets available.

<sup>75</sup> See: <https://www.opengovpartnership.org/documents/former-yugoslav-republic-of-macedonia-letter-of-intent-join-ogp>



implementation of the 3<sup>rd</sup> National Action Plan for Open Government Partnership 2016-2018<sup>76</sup> we have been actively working on solving problems in this area, we lack a Strategy for open information as a leading document, which 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. Goal and Objectives

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

<b>Responsible, accountable and transparent working of institutions</b>
---

To achieve this goal, the following objectives were set:

***O 3.1. Developed coherent institutional setup of the state administration bodies, agencies and inspection services with clear defined accountability structures***

The focus in achieving this objective will be reorganisation and optimisation of state administration bodies, the 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 publishing of a catalogue.

**3.1.2. Reorganization/optimization of civil administration, agencies, and inspection services** – considering the large number of institutions and the period to which the PAR Strategy 2018-2022 refers to, 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.

***O 3.2. Developed effective and efficient mechanisms that provide accountability in state administration bodies, agencies and central government inspection services***

To achieve this objective, measures will be taken for increasing efficiency and effectiveness in the public service, as well as strengthening of responsibility and accountability of management structures in state

---

<sup>76</sup> See:

[http://edemokratija.mk/sd\\_administracija//document\\_library\\_display/4ugU/view/353117/6408?\\_110\\_INSTANCE=4ugU\\_redirect=http%3A%2F%2Fdemokratija.mk%2Fsd\\_administracija%2F-%2Fdocument\\_library\\_display%2F4ugU%2Fview%2F353117](http://edemokratija.mk/sd_administracija//document_library_display/4ugU/view/353117/6408?_110_INSTANCE=4ugU_redirect=http%3A%2F%2Fdemokratija.mk%2Fsd_administracija%2F-%2Fdocument_library_display%2F4ugU%2Fview%2F353117)



administration bodies, agencies and central government inspection services, through introducing 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 the implementation of a pilot project at MISA, MFA and MLSP and drafting of a Development Plan in these ministries. After the 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 the implementation of the measures, the amendments to the regulations, the implementation of the activities and monitoring of the introduction of all necessary changes in accordance with the functional review findings.

### ***O 3.3 Strengthened integrity of institutions***

To achieve this objective, measures will be taken for the strengthening of 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 the integrity and ethics policies on a political and professional level. Promotion of integrity and ethics principles through 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 achieve 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** – 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 information distinction and classification in order to prevent over-classification of information, preparation of guidelines for all public information holders when defining information character. Strengthening the capacities and raising awareness for the importance of publishing public information through promotion and trainings.

**3.4.2. Implementation of mechanisms for planning, implementation and monitoring of open data principles** – preparation of an 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.

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

To achieve this objective, measures will be taken for strengthening of 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 giving 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 decision-making authorisations by managers in the public bodies, and decrease discretion powers in decision-making. Drafting guidelines defining the decision-making processes and for delegating the decision-making authorizations in administrative procedure.

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

### 3.4. DELIVERING SERVICES AND ICT SUPPORT TO THE ADMINISTRATION

The digital transformation, the global trends for public sector reforms and the bigger ICT application, transformed the environment in which the public-sector functions. During the last decade, significant attention was paid to reforms about 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 biggest 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<sup>77</sup>. 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 selected persons prescribed a compulsory delegation of authority for decision-making in administrative procedures, as well as compulsory collection and exchange of information ex officio. One step ahead, even compared to European experiences, is the legal obligation for compulsory electronic exchange of information and documents between institutions. The special laws<sup>78</sup> 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.

With the amendments to the Law on E-management adopted in 2016<sup>79</sup>, and toward implementation of LGAP provisions, a service for e-recommended document delivery to and between institutions was introduced, which should enable fast, confidential and secure delivery of documents. The delivery enables efficacy in the procedure and its cost-effectiveness, while completely meeting the highest security standards. Up to now, two commercial systems for this service have been certified.

The law implementation was hampered due to several factors. First, 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. Second, 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, it results with difficult e-communication with/between the administration (e-mail, social networks, telephone), and finally affects

---

<sup>77</sup>See: [http://mioa.gov.mk/files/pdf/dokumenti/zakoni/zoup/ZOUP\\_23072015.pdf](http://mioa.gov.mk/files/pdf/dokumenti/zakoni/zoup/ZOUP_23072015.pdf)

<sup>78</sup> 170 special laws were harmonised so far.

<sup>79</sup>See: <http://mioa.gov.mk/?q=node/217>

the protection of the citizens' rights in administrative procedures (see 4.3.1.2 Protection of citizens' rights). In addition, the provision of services 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 hard to follow. Finally, archiving and office operations with e-documents is not enough 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 fees and administrative fee.

Due 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 simplification of services and their digitalisation<sup>80</sup>. The catalogue does not 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 is: information on legal bases, 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<sup>81</sup> completely transposes the provisions of the EC Directive and Council No. 46/95 and the Council of Europe Convention No. 108/81. The Directorate for Personal Data Protection in 2017 initiated the process for harmonisation 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 the decisions contained in the General Data Protection Regulation of the European Parliament and the Council of the European Union<sup>82</sup>.

In terms of **accessibility to public services**, both physical and electronic, according to the UN Convention on the Rights of Persons with Disabilities<sup>83</sup> it is necessary to take appropriate measures to ensure that persons with disabilities are afforded 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<sup>84</sup>. 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<sup>85</sup>. The availability of online services using E-service Accessibility Standards is still at a very low level.

---

<sup>80</sup>See: <https://kataloguslugi.mioa.gov.mk/>

<sup>81</sup>See: [https://www.dzlp.mk/mk/domasni\\_propisi](https://www.dzlp.mk/mk/domasni_propisi)

<sup>82</sup>(EU) 2016/679

<sup>83</sup>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.

<sup>84</sup>See: <http://wcag.mioa.gov.mk/>

<sup>85</sup>SIGMA, Public Administration Principles, Monitoring Report 2016, [www.sigmaweb.org](http://www.sigmaweb.org)

The present institutional commitment, capabilities and knowledge required for reengineering and systematic and regular optimization of the processes and their mapping from the aspect of citizens and business entities is at a low level, which further complicates the 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, that is, citizens and businesses are not sufficiently involved in defining and/or optimizing the administrative procedures, which leads to a lack of understanding of users' needs, and services are created and named "for them" instead of "with them" services.

In addition, when introducing new or modifying the 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, such as social networks, are insufficiently used for promotion of e-services and the benefits they offer, leading to insufficient information on the e-services and their poor utilization.

The Law on Introduction of Quality Management System and the Common Assessment Framework and giving services to the civil service<sup>86</sup>, 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 the MISA records, 51 institutions have so 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<sup>87</sup> 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 the GRM level, because there is no general assessment of the effects of these initiatives.

In order to improve the quality and availability of the services, in the course of 2016 the MISA initiated activities for introducing *One 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

---

<sup>86</sup>See: <http://mioa.gov.mk/?q=node/217>

<sup>87</sup>These initiatives include: *Civil Diary*, "Quality Barometer" Methodology, "There is No Wrong Door" Concept, and Evaluate the Administration" Project.

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<sup>88</sup> 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 in which 25 institutions now have the opportunity to securely exchange data through 97 developed web services<sup>89</sup>.

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, characteristics of quality data, their transliteration, as well as mechanisms for their validation, verification, correction and control. The standards have not yet been adopted and there is no legal obligation regarding their application.

The national portal for 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 same functionalities of the portals such as identification and authentication of clients are examples of unproductive and irrational costs. Also, there are no Standards for web-presence, therefore, the portals are not with a unified design, which makes them difficult and unattractive for use.

In 2016, MISA started the implementation of a project<sup>90</sup> to support the implementation of the **National Portal for 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

---

<sup>88</sup>See: <http://mioa.gov.mk/?q=node/3463>

<sup>89</sup>See: „List of IOP web services“; <http://mioa.gov.mk/?q=node/4210>;

<sup>90</sup>EuropeAid/137521/IH/SER/MK “Support to Public Administration Reform and Reinforcement of MISA Capacities”

does not contribute to stimulating citizens to use the existing e-services<sup>91</sup>. 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)<sup>92</sup>.
- Multi-platform Collaboration System and E-session<sup>93</sup>, a system used by all authorities in the process of preparing and processing material for a GRM session.
- Document Management System (DMS)<sup>94</sup> 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.
- Enterprise Resource Planning (ERP) System, which includes modules for budget operations, public procurement, material operations, fixed assets and financial operations.
- Learning Management System (LMS)<sup>95</sup> is a platform for e-trainings that employees can be assigned to as part of generic training.
- E-payment System<sup>96</sup> that enables payment of administrative fees via SMS and is mostly used by students to pay fees when applying for exams.
- E-reminder System<sup>97</sup> through which 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 its smooth usage, 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, from the aspect 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 so far in terms of their motivation and retention. On the labor market, the IT staff demand is big, and therefore, their average

---

<sup>91</sup>See: <http://zipinstitute.mk/wp-content/uploads/2012/09/e-uslugi-final-UPDATED-1.pdf>

<sup>92</sup> See: [hrm.gov.mk](http://hrm.gov.mk)

<sup>93</sup> See: [e-vlada.mk](http://e-vlada.mk)

<sup>94</sup> See: [http://dms.gov.mk/taskspace/component/main/?appname=MIOA\\_DMS](http://dms.gov.mk/taskspace/component/main/?appname=MIOA_DMS)

<sup>95</sup> See: [e-obuki.mioa.gov.mk](http://e-obuki.mioa.gov.mk)

<sup>96</sup>See: <http://www.e-plakanje.gov.mk/>

<sup>97</sup>See: <http://e-potsetnik.mk/>

salary in the business sector is twice than the average salary of the IT staff in administration<sup>98</sup>, however, 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. Goal and Objectives

Based on the situation analysis, the goal in this 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.

**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** – analysis of the situation with the 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.

---

<sup>98</sup> See:

[http://makstat.stat.gov.mk/PXWeb/pxweb/mk/MakStat/MakStat\\_PazarNaTrud\\_Plati\\_MesecnaBrutoNEto/125\\_PAzTrud\\_Mk\\_bruto\\_ml.px/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5f](http://makstat.stat.gov.mk/PXWeb/pxweb/mk/MakStat/MakStat_PazarNaTrud_Plati_MesecnaBrutoNEto/125_PAzTrud_Mk_bruto_ml.px/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5f)



- 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.

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

This means ensuring quality and availability of public services, customer-tailored and in line with the expectations of the end users, including persons with disabilities. Planned measures for achieving 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, analysis of effects from application and definition of mechanisms for increasing the number of certified bodies and constant application of the quality management system within the bodies' operations.
- 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. Simplification of services** –reengineering of services for their digitalisation, whereby service users will be at the centre 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 of notification channels and their operationalisation, regular and timely trainings for employees, regular promotion of news for public services, etc.
- 4.2.7. Measuring customer satisfaction** – continuous use of instruments for customer satisfaction measurement, primarily through analysis, revision 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.

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

The third objective means 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 for 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 the 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 for digitalisation, and digitalisation of registers in accordance with the 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.

## 4. IMPLEMENTATION OF THE PAR STRATEGY 2018 - 2022

---

### 4.1. Action Plan for the PAR Strategy 2018 – 2022

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 activities, as well as other bodies that will be included in the implementation. Besides these information, the Action plan defines the start date and the deadline for implementation of the activities, assessment of needed assets, the 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 defining of implementation of measures and activities, annual Operational plans will be prepared for each of the areas, with detailed elaboration of steps and deadlines for implementation of activities and indicators for measurement of improvement and success in the achievement 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 achieving the goals set forth by this Strategy, but primarily for coordination of the overall PAR process at the political level, the 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 responsible for European affairs; the Deputy President of the Government responsible 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 Labor and Social Policy; the Minister of Local Self-government; the General Secretary of the Government; the Secretary of the Legislature Secretariat; the Director of the Agency for Administration and a representative from the Association of Local Self-government Units (ALSGU).

The main role of the PAR Council will be to ensure:

- Coordination of the public administration reform process;
- Interconnectivity and harmonization 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 implementing the planned objectives and measures;
- Prioritization of the key steps in the process of public administration reform;
- Reviewing the effects of the implemented reform activities in various areas of the public sector, which are reflected in the public administration; and
- Directing further cycles of public administration reform planning.

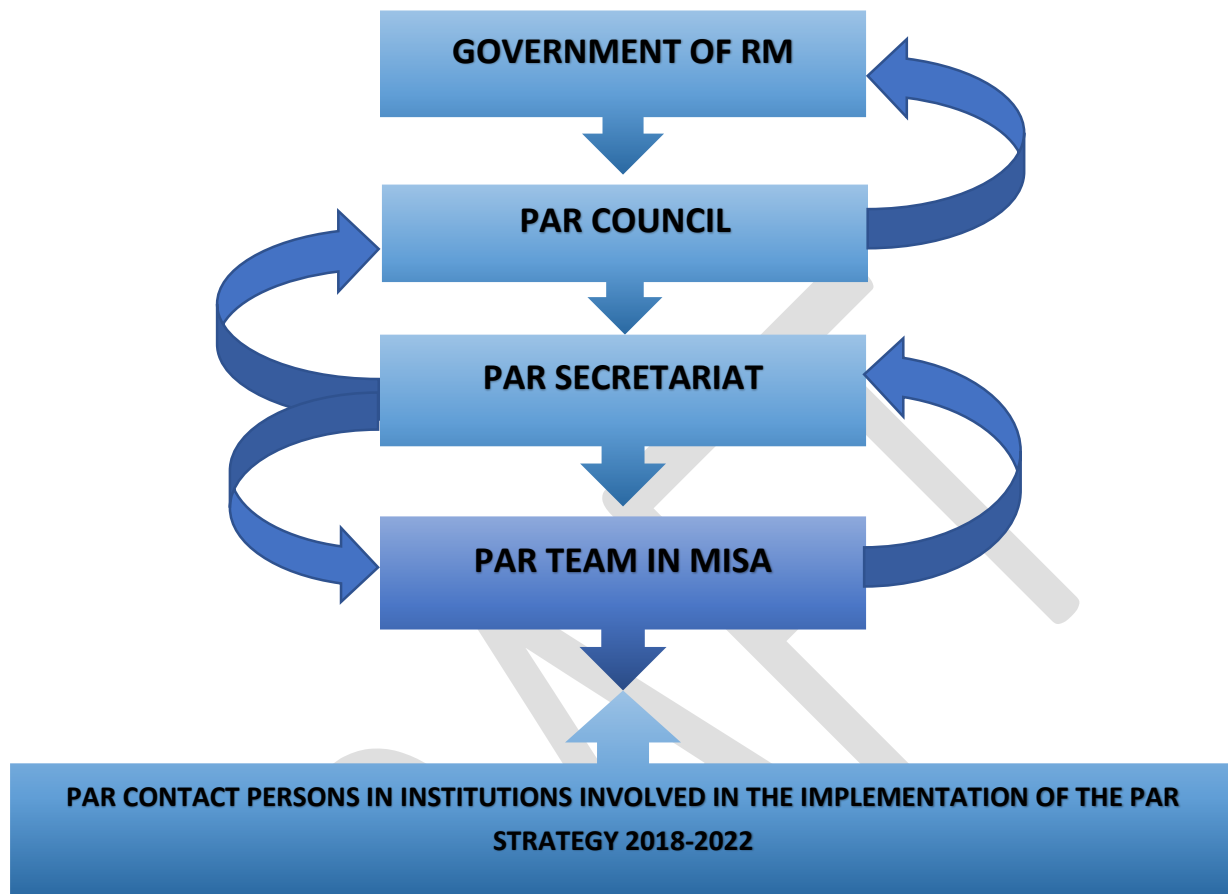
The PAR Council in principle holds meetings twice a year: the first session will be in February/March and the second session in October/November, in order to assess the progress made in the PAR implementation, but also to ensure horizontal connectivity of the priorities and the results of the PAR Strategy 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 the PAR Council sessions will be published on websites of MISA and the GRM.

With the establishment of the PAR Council, the former Public Administration Reform Committee<sup>99</sup> will no longer be needed.

---

<sup>99</sup> Decision for establishing State administration Reform Committee, number 19-3647/1 from 14 July 2009, published in the „Official Gazette of RM“, number 89/2009.



#### **PAR Secretariat**

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

The sessions of the PAR Secretariat, which would precede those of the PAR Council, will ensure coordination of public administration reform policies from a professional aspect, and will review progress reports on the implementation of action plans for strategic documents before their submission for approval to the PAR Council.

#### **Ministry of Information Society and Administration**

The MISA will be 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 its implementation.

Taking into account the recommendations of the European Commission for strengthening the internal capabilities of the MISA for implementation and monitoring of the public administration reform, a PAR team has been established, and is responsible for: monitoring and coordinating the implementation of the PAR Strategy Action Plan 2018-2022; compulsory consultation and harmonisation of priorities and goals of the PAR Strategy 2018-2022 with the Decision by which 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 contact persons for PAR from the relevant institutions and cooperation with all participants in the PAR process.

#### 4.3. Monitoring, Reporting and Assessment

The MISA will conduct the 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.

The MISA will 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 the MISA and GRM website.

This will provide an overview of the level of implementation in the priority areas and will confirm the plans for further implementation of the PAR Strategy 2018-2022 that will then 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 the PAR contact persons, and their accuracy and promptness of information will be confirmed with an official note from the institutions. After the assessment, the data will be integrated into the reports on the PAR Strategy 2018-2022 implementation.

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

In order to ensure transparency and inclusivity 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 concerning the level of implementation and the achieved results of the PAR Strategy 2018-2022, and the proposals for revision of the PAR Strategy 2018-2022 Action Plan. The public hearings will be open to

all stakeholders (institutions responsible for the implementation, end-users, expert and scientific public, civil society representatives, chambers of commerce, trade unions, etc.)

#### 4.4. Risks in Achieving the Goals of the PAR Strategy 2018 – 2022

Risks that would significantly impact the 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 their reducing:

- *MISA capacities for coordination and monitoring* – coordination and monitoring of the Action Plan implementation is a complex task, which requires dedication and constant building of capacities. At the moment, 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 essentially manage, coordinate and monitor the process, as well as report about 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 show that the relation between the assistant-technical staff and the experts dedicated to creation and coordination of policies is inappropriate. In the following period, attention will be paid to staffing and building capacities in ministries' departments 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 change the 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. Coordinators (contact persons) for PAR will be appointed in the 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, the funds will be envisaged in 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 foreseen, as well as assets which could be provided through the IPA program, and other donors could be planned and programmed.

DRAFT