Monitoring Matrix on Enabling Environment for Civil Society Development

Country Report for North Macedonia 2019

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## List of abbreviations

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<th>Full Form</th>
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<tr>
<td>AYS</td>
<td>Agency for Youth and Sport</td>
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<td>BCSDN</td>
<td>Balkan Civil Society Development Network</td>
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<td>CRNM</td>
<td>Central register of the Republic of North Macedonia</td>
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<td>CSO</td>
<td>Civil Society Organization</td>
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<td>CSR</td>
<td>Corporate social responsibility</td>
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<td>ECNL</td>
<td>European Center for Not-for-Profit Law</td>
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<td>ENER</td>
<td>Unique National Electronic Register of Regulations</td>
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<td>EU</td>
<td>European Union</td>
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<td>FIO</td>
<td>Financial intelligence office</td>
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<td>ICNL</td>
<td>International Center for Not-for-Profit Law</td>
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<tr>
<td>LAF</td>
<td>Law on associations and foundations</td>
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<tr>
<td>MC</td>
<td>Ministry of culture</td>
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<td>MCIC</td>
<td>Macedonian Center for International Cooperation</td>
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<td>MIA</td>
<td>Macedonian information agency</td>
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<td>MLSP</td>
<td>Ministry of Labour and Social Policy</td>
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<td>MM</td>
<td>Monitoring Matrix</td>
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<tr>
<td>NATO</td>
<td>The North Atlantic Treaty Organization</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>PBO</td>
<td>Public benefit organization</td>
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<td>SDC</td>
<td>Swiss Agency for Development and Cooperation</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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Introduction

The Macedonian Center for International Cooperation and the Balkan Civil Society Development Network are pleased to present the seventh edition of the Monitoring Matrix on Enabling Environment for Civil Society Development (CSDev), covering developments in North Macedonia in 2019.

This report is part of a series of country reports covering seven countries in the Western Balkans and Turkey: Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro, Serbia, and Turkey. A Regional Report is also available summarizing findings and recommendations for all countries and a web platform offering access to monitoring data per country at www.monitoringmatrix.net.

The Monitoring Matrix, developed in 2013 by BCSDN with support of its members, partners, ICNL and ECNL, presents the main principles and standards that have been identified as crucial to exist for the legal environment to be considered as supportive and enabling for the operations of CSOs. The Matrix is organized around three areas, each divided by sub-areas:

1. Basic Legal Guarantees of Freedoms;
2. Framework for CSOs' Financial Viability and Sustainability;

The principles, standards, and indicators rely on the internationally guaranteed freedoms and rights and best regulatory practices at the European Union level and in European countries. The Matrix aims to define an optimum situation desired for civil society to function and develop effectively, and at the same time, it aims to set a realistic framework that can be followed and implemented by public authorities. Having in mind that the main challenges lay in implementation, the indicators are defined to monitor the situation on the level of the legal framework and its practical application.

In addition to the in-depth and qualitative monitoring, an assessment of the enabling environment with categorization ranging from fully disabling to fully enabling environment was introduced in 2015. The system was created to address the need for a ‘compressed’ and effective visual communication of findings and systematic presentation of changes in the enabling environment for CSDev, on the level of standards across countries and years. It does not replace, but complements the qualitative assessment, as the narrative country reports are the basis for conducting the categorization.

The research conducted under the MM aims to provide for shadow reporting on the enabling environment for CSDev and influence Enlargement policy and funding support towards the sustainable and strategic development of the sector.

1. As a research tool for measuring the health of the legal, regulatory, and financial environment in which CSO in WBT operate, the Matrix aims to respond to the need of CSOs to have evidence-based research products and capacities to advocate for policy changes towards a more enabling civil society environment.
2. For these purposes, within the findings part, the report further makes references and correlations to the Guidelines for EU Support to Civil Society in Enlargement Countries, 2014-2020.
Acknowledgments

The 2019 Report on the Enabling Environment for Civil Society Development was an endeavor of collaboration and support by several colleagues at the Macedonian Center for International Cooperation (MCIC).

Numerous colleagues have contributed to the preparation of the Report. Firstly, our thank you goes to Snezana Kamilovska Trpovska for her continuous support and contribution towards the analysis of legislative changes that affect the work of CSOs; to Jasmina Chaushoska for her dedicated work second year in a row, to process and analyze the results of the CSO responses to the electronic survey; to Florian Mehmeti for his support in gathering and processing data from Freedom of Information requests sent to state institutions and the online desk research. Last but not least, our appreciation goes to Blinera Rexhepi for supporting the process of data gathering from online desk research and additional technical support.

We would like to thank Emina Nuredinoska, for her mentorship and trust, patient guidance and knowledge sharing, provision of advice, and continuous assistance to improve the quality of the report throughout the years.

Also, we want to recognize the contribution made by numerous CSOs, informal movements, activists and certain state institutions, which have provided substantive evidence, and reported on the different aspects that the monitoring matrix covers throughout the year.

In the end, we want to express gratefulness to Ilina Neshikj and Anja Bosilkova-Antovska, as well as to the rest of the BCSDN EO team for facilitating regional cooperation in the monitoring process and providing continuous support throughout the implementation of the activities.
2019 was a historic year for the development of the country. The turbulence of the socio-political events significantly shaped the environment and the operations of civil society. 2019 was a year of elections, with two main events - the Presidential elections and and Stevo Pendarovski winning the second round as the candidate of the ruling coalition, and setting the date for the next Parliamentary elections in 2020.

At the beginning of the year, the Parliament cast the final vote for changing the name of the country to North Macedonia\(^4\), by enforcing the Prespa after it had been ratified by both North Macedonia and Greece\(^5\). After the name change, the following milestones were NATO accession and the EU negotiations. While the signing of the NATO accession protocol by different member countries throughout the year progressed as planned, the EU accession was halted. Namely, the European Council postponed the accession talks as France led a few member states to reject Albania and North Macedonia from moving forward, asking for a new methodology for further reforms of the accession process\(^5\).

Despite reaching important milestones showing Government’s strong commitment for internal reform, the so-called 'Extortion' scandal undermined the trust of citizens in the rule of law\(^6\) and the independence of the judiciary. Namely, the Special Public Prosecutor was arrested, and another politician from the ruling party was accused of alleged extortion scandal. Other collaborators were also identified, one being a medium (TV station) and its informal owner and also a TV personality\(^6\) all indicted for extortion of money from businessman. This directly shook the judicial reform progress efforts. As a side effect, the CSOs, which were managed by one of the collaborators in the extortion scandal, gained publicity. The Prosecution initiated a separate investigation on suspected fraud within the organization, which had a negative impact on the image of the civil society\(^6\).

Finally, 2019 was significant when it comes to involving CSOs in law and policy creation processes (Law on Fight Against Corruption, Law on Access to Public Information, Law on Free Legal Aid, Law on Public Procurement, etc.). Most importantly, two laws, the Anti-discrimination Law and the Law on Abortion, were adopted to further promote and protect human rights\(^11\). On one hand, the Government gave the opportunity to the CSOs to publicly participate in various institutions, however, on the other, the expectations from civil society to contribute to those processes were not matched. Namely, the comprehensive reform of the state funding to support the long-term operations of CSOs has progressed slowly.

\(^1\) Decision to declare the amendments XXXIII, XXXIV and XXXVI of the constitution of Republic of North Macedonia, Number 08 – 184/1. Address: https://www.sobranie.mk/content/Odlika/200USTAV/odlika-amendman-11.1.19.pdf [Accessed on 20.02.2020]
\(^3\) The Guardian (2019) EU failure to open membership talks with Albania and North Macedonia condemned [Internet] The Guardian. Address: https://www.theguardian.com/world/2019/oct/18/eu-fin-de-sierra-nord-macedonia
# Executive summary

## Important data on CSOs

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<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
<td><strong>Number of registered organizations</strong></td>
<td>10.171 (CRNM)</td>
<td>10.710 (CRNM)</td>
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</tbody>
</table>
| **Relevant changes in the legal framework** | (1) New Law on Profit tax  
(1) Law on Free Access to Public Information  
(2) Rules of procedure of the Council and the Decision for establishing of the Council for Cooperation with and Development of the Civil Society  
(3) Law on Social Protection  
(4) Law on Free Legal Aid  
(5) Law on Value Added Tax  
Proposals:  
(1) Draft-law on Lobbying  
(2) Draft-law on Public Assemblies |
| **State funding (for CSOs)** | 840 million MKD (approx. 13.6 million EUR)\(^2\) | 726 million MKD (approx. 11.8 million EUR)\(^3\) |
| **Human resources (employees and volunteers)** | 1.645 (CRNM) | 1.642 (CRNM) |
| **CSO-Government Cooperation (relevant and new body: consultation mechanism)** | Council for Cooperation with and Development of the Civil Society | Council for Cooperation with and Development of the Civil Society |

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13 Ibid.
**Key findings**

The environment for development of the civil society in 2019 was relatively enabling. The basic freedoms (association, assembly and expression) were guaranteed, with certain deficiencies, and were implemented in practice. There were no significant legal changes that directly influenced and supported the operations of CSOs. However, a few new laws (e.g. Law on Free Access to Public Information, Law on Social Protection, Law on Free Legal Aid, etc.) could be beneficial. Yet, the provisions in two draft-laws may be a threat to the freedom of association: the draft-Law on Lobbying, and the draft Law on Public Gatherings. The CSOs still struggle with their capacity to solicit state funds, as the reform of state funding has been progressing slowly. Finally, the dialogue and cooperation between the government and CSOs progressed, by increasing the CSOs public participation in policymaking, but also via the Council and other mechanisms for cooperation on different issues.

<table>
<thead>
<tr>
<th>Key findings</th>
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<tr>
<td>1. The basic freedoms of association, assembly, and expression were legally guaranteed, and generally protected and enjoyed in practice by everyone. However, the potential threat to the key principle of freedom of association which is participation in public life, by some of the provisions in the Draft-Law on Lobbying is still present (unclear definition of lobbyist and which activities are considered as lobbying). According to this principle, CSOs should be able to freely express and promote their views and opinions on issues of their interest, start initiatives, and participate in public opinion formation and policymaking. The failure to respect this principle might lead to different violations of the freedom of association, for instance prevent CSOs to work and engage with the Parliament. Furthermore, the existing framework that provides for freedom of assembly was potentially regressed with numerous restrictive provisions proposed in the Draft-Law on Public Gatherings, without consultations. The draft-law was withdrawn after reactions from the public and CSOs.</td>
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<td>2. The comprehensive reform of the system for state funding for CSOs has progressed slowly, despite positive events. Namely, then prime-minister Zaev expressed willingness to reform the existing model of state funding during a national conference organized by MCIC. This announcement was encouraged by the memorandum of understanding between the Government and FOSM to further analyze and prepare recommendations on state funding. Also, certain state institutions during the year undertook steps to improve different aspects of the procedure and increase their transparency and accountability. However, the advancement of the key aspects of the overall reform was delayed, and the ineffective parts of the existing system remained. Namely, there is a decrease in the amount of state funding for CSOs for 13% in 2019, compared to 2018. State funding is still a non-recognizable source of income for CSOs and is accessible only to a limited number of CSOs. There was no progress in terms of enabling the CSOs to access institutional support, nor opportunities for multi-annual funding or co-financing for EU and other projects.</td>
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<td>3. The significant involvement of CSOs in public policy creation and law-making processes has continued throughout 2019, via different forms of inclusion (electronic consultations via ENER, working groups, consultative meetings, etc.). CSOs were involved in the preparation of certain laws important for the operation of CSOs: Law on Fight Against Corruption, Law on Free Access to Information, Law on Youth, Law on Free Legal Aid, and Law on Public Procurement. Civil society was also successful in their advocacy efforts to bring about the adoption of the Law on Anti-discrimination and the Law on Termination of Pregnancy. In addition, there was an increase in publishing and respect of deadlines for electronic consultations on ENER. However, there were still cases of bypassing CSOs when it comes to issues such as rule of law and anti-corruption (Law on public prosecution, etc.). Finally, the lack of adequate access to information, and substantial consultation persists.</td>
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<td>4. The Council for Cooperation with and Development of the Civil Society has continued to effectively function throughout the year focusing on issues of importance of the civil sector. By holding a total of ten sessions, exceeded the legally set minimum number of four sessions per year, for which agenda and materials are publicly available upfront. Almost at each session, the Council placed recommendations and/or requests to different institutions, which were implemented. Yet, one of the more significant tasks to increase the number of funds distributed from the Government Secretariat was not considered. Certain challenges to its effective functioning were noted as well such as lack of regular participation of the members (particularly those coming from CSOs) to the sessions, adding an additional task for nominations of representatives of CSO in different government bodies/mechanisms and events without legal basis, and lack of direct communication, engagement, and consultations with CSOs.</td>
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**Key recommendations**

The recommendations prioritize the areas which we consider urgent for the Government to take action to support and develop the environment for civil society. The first recommendation aims to ensure legislative guarantees for the principle of the freedom of association. Secondly, as in the previous years, the existing model of state funding for CSOs should be reformed without delay, based on the analysis and recommendations proposed by the CSOs. Thirdly, even though part of the state institutions deserve a commendation for their inclusive treatment of the CSOs, still, all institutions without exception are expected to involve the public and CSOs in the decision-making processes especially on issues referring to the rule of law and anti-corruption. Finally, the Council should improve further its effectiveness and should include the civil society more substantially.

<table>
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<th>Key recommendations</th>
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<tr>
<td>1. The state institutions should ensure that the proposals of the new legislation are in line with international standards for freedom of association, assembly, and expression (this refers mainly to the problematic provisions within the Draft-Law on Lobbying and Draft-Law on Public Gatherings).</td>
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<td>2. The relevant state institutions should without delay comprehensively reform the state funding for CSO. The reform should include increased amount of state funding for CSO (including the increased individual amount of grants), a separate budget line for associations and foundations, long-term funding, institutional support, co-funding of activities supported by other donors, and with appropriate geographical distribution. This should be all based on a standardized procedure to increase transparency, effectiveness, and accountability of the distribution of funds.</td>
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<td>3. The Government should implement the standards of involvement of CSOs in lawmaking and policy creation process for all legislation and consistently across all state institutions. Participation should start at an early stage, with adequate access to information and time for a quality and substantial response, and provision of feedback. The good practice of using ENER as a platform for electronic consultations and respecting the deadlines should be further supported and improved.</td>
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<td>4. The Council should dedicate most of its sessions to influence institutions to implement the priority areas for sectoral development of the sector as per the from the Strategy, and without delay to start, without delay, with direct communication and consultations with other CSOs. In addition, as a consultative body, the Council should reconsider the legality and effectiveness of adding a task to nominate civil society representatives in different bodies and events upon request from state institutions.</td>
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Findings

Area 1: Basic Legal Guarantees of Freedoms

Sub-area 1.1. Freedom of association

1.1.1. Establishment of and Participation in CSOs

The legal framework provides guarantees for exercising the right to freedom of association in line with international standards on freedom of association. The right to establish and participate in formal and informal ways of association remains guaranteed in the Constitution of the Republic of North Macedonia and is further elaborated in the Law on Associations and Foundations (LAF). The freedom of association is enjoyed via joining in associations, foundations, alliances, and ways of organizing foreign organizations. The citizens can freely associate for various goals, and the limitations to the right to association are listed. The legal framework allows individual and legal persons to exercise the right to freedom of association off-line and online, without discrimination, including foreigners. Minors can establish an association once they turn 15, and can become members once they turn 14, with an astatement of consent signed by their legal guardian. This applies also to persons with a limited working ability or persons without working ability. According to LAF, two or more organizations can become a legal person with registration, which can become a legal person with registration. These organizations can become part of international organizations or can cooperate with them in other ways.

Registration is not mandatory and registration rules are prescribed and allow for easy and timely registration. The Central Registry of the Republic of North Macedonia (CRNM) is the only institution where registration is available within 5 days of the day of submitting a request on a paper form (online submission is still unavailable for CSOs). CSOs are in a less favorable position compared to business entities, as they cannot register online (this is available for businesses and it’s free), and the cost of registration when submitting paper forms is higher than that of the other business entities (except when registering a shareholding company). Every individual or legal entity in practice can form associations, foundations, or other non-profit, non-governmental forms offline or online. Registration is mostly accessible within the legally prescribed deadlines. The survey showed that for two CSOs, the registration took more than five days (out of the total number of 10 CSOs which were asked to describe their registration experience during 2018/2019). Individuals and CSOs can in practice, form and participate in networks and coalitions, in and out of their home countries. According to the survey, the majority of CSOs practice networking on a national level (80,37% are part of a domestic network). A total of four CSOs responded that they went through a complex procedure of formal registration of the network: long-lasting process; burdensome documentation requested (detailed reports and private information of members; submitting a formal application voted by the Assembly of members). Unregistered organizations are not sanctioned, they exist and manage to advocate for certain issues with state institutions and other CSOs.

1.1.2. State Interference

The legal framework provides guarantees against state interference in internal matters of associations, foundations, and other types of non-profit entities. CSOs are autonomous from the state
and the law provides guarantees to regulate their internal structure and operating procedures\textsuperscript{22}. Previously identified problematic provisions were not amended throughout the year. New legal solutions that presented a potential threat to the freedom of association were adopted and/or in the process of their preparation. Firstly, the provisions of the Criminal Code were not changed\textsuperscript{23}. Article 122, paragraph 4 provides for liability by authorized persons, representatives of various organizational forms, although they do not perform any official duty or activities of public interest or use state funds. Secondly, at the end of September 2019, a new draft text of the law on lobbying was prepared with certain improvements, however, without any substantial changes of the problematic provisions\textsuperscript{24}. The first version of the Law contained numerous unclear provisions, mainly relating to the definition of what a lobbyist is and which activities are considered as lobbying. By this, the key principle of the LAF – participation in public life\textsuperscript{25} is put at risk, according to which the CSOs can freely express and promote their views and opinions on issues of their interest; can start initiatives, and can participate in public opinion formation and policymaking.

The legislation provides a partial protection to individuals and/or to groups operations from interference by third parties. The main institutions that provide protection are Commission for Protection Against Discrimination and the Ombudsperson with the the police and the judicial institutions i.e. the courts as well as the public prosecution being also relevant institutions.

The regulations on financial reporting and accounting rules consider the specific characteristics of the CSOs to a certain extent. According to the LAF, the obligation of the registered CSOs is to prepare the annual financial statements and submit them to the CRNM\textsuperscript{26}. Besides, CSOs are required to publish them on their website, or in another appropriate manner (e.g. publication in a daily newspaper), to make their annual performance reports and annual financial statements for the previous year publicly available by 30 April at the latest. The financial reporting of CSOs is regulated by the Law on Accounting for Non-Profit Organizations, which was not improved yet, even though the improvement was envisaged in the Strategy, and the analysis was prepared by a local CSO\textsuperscript{27}. The reporting requirements vary according to the size of the organization’s budget. Namely, according to Article 18 of the Law, the organizations with a total assets value or annual income of less than 153 thousand MKD (approx. 2.500 EUR) are not obliged to prepare final accounts and submit them to the PRO and CRNM\textsuperscript{28}. But they are required to keep a cash book and an income and expense book.

Those with an annual income of more than 2.500 euros must submit final accounts to the PRO and CRNM by the end of February the following year.

The cooperation between the civil society sector and the Financial Intelligence Office (FIO) continued throughout 2019 on the matters of risk assessment of financing of terrorism\textsuperscript{29}, FIO published Guidance for Risk Assessment\textsuperscript{30} and Decision for Establishing an Indicators List pertaining to Suspicious Transactions\textsuperscript{31} in the first quarter of 2019, failing to differentiate the need for risk assessment between CSOs and casinos and betting houses. Some of the indicators concerning CSOs are quite general and problematic (e.g. the bank is responsible for determining (assessing) r the purpose of a donation and whether it is aligned with the work of the organization and the project, etc.).

The legislation envisages that the CSOs may be subject to external control by authorized bodies that have inspection powers\textsuperscript{32}. Concerning the sanctions stipulated in LAF and other laws, CSOs are equal to other legal entities. In addition, LAF\textsuperscript{33} stipulates higher individual fines for responsible individuals (in comparison to the fine for the organization) in two cases (not reporting changes to CRNM and in case when a CSOs with public benefit status does not submit a financial and narrative report).

CSO can choose to dissolve at any time by a resolution of the highest governing body. The law prescribes precisely the situations where organizations have to dissolve and the grounds for

\textsuperscript{22} Law on Associations and Foundations ("Official Gazette of the Republic of North Macedonia" no. 52/10, 135/11 and 55/16)


\textsuperscript{25} Article 14, Law on Associations and Foundations ("Official Gazette of the Republic of North Macedonia" no. 52/10, 135/11 and 55/16)

\textsuperscript{26} Law on Accounting and Foundations ("Official Gazette of the Republic of North Macedonia" no. 52/10, 135/11 and 55/16)

\textsuperscript{27} Law on Accounting and Foundations ("Official Gazette of the Republic of North Macedonia" no. 24/03, 17/11 and 154/15).

\textsuperscript{28} Law on Accounting and Foundations ("Official Gazette of the Republic of North Macedonia" no. 52/10, 135/11 and 55/16)


\textsuperscript{30} Decision to establish a list of indicators for recognizing suspicious transactions (no. 02-216 (19)) Skopje. UFR. Address: http://www.ufr.gov.mk/files/docs/Indikatori.pdf [Accessed 1/3/2020]

\textsuperscript{31} Guidelines for assessing the risk of money laundering and financing terrorism no. 02-254 (19) [Internet] Skopje. UFR. Address: http://www.ufr.gov.mk/files/docs/Indikatori.pdf [Accessed 1/3/2020]

\textsuperscript{32} Law on Associations and Foundations ("Official Gazette of the Republic of North Macedonia" no. 52/10, 135/11 and 55/16)

\textsuperscript{33} Ibid.
involuntary termination (e.g., in cases of violations of statute or law)\textsuperscript{34}. Few cases of state interference in the internal matters of the CSOs in the work of CSOs were recorded with the survey.

Four CSOs reported threats by government representatives: asking for a bribe; sending inappropriate “messages”; threats by a minister or representative of the parliament. Then, five CSOs reported unannounced inspections by state institutions: State Education Inspectorate; Ministry of Culture; unnamed institution asking for detailed documentation on project implementation besides having reports already approved, Food and Veterinary Agency, Financial Police, labour, and sanitation. Furthermore, five CSOs reported harassment and limitations of the activities of the moderators of online groups or their members: attacks on social media by political party activists, threats and insults; struggles with managing fake information in online groups, pressure on members by people in power; monitoring of groups. Finally, one case of excessive financial oversight by a state institution was recorded, with excessive requests of documents.

1.1.3. Securing Financial Resources

The legislation allows for the CSOs to generate income through economic activity. The LAF regulates the activity of associations and foundations\textsuperscript{35}, and when the activities of the organizations generate income, it should be used to achieve the goals set out in their statute (including all organizations’ regular activities, including payroll costs). The conducting of economic activity is further regulated with labor and tax laws, laws in the area of obligations, payment operations, foreign exchange operations, and other laws.

The legislation allows CSOs the possibility to receive funding from foreign public or private sources. According to LAF, associations and foundations could seek and obtain funding from a variety of foreign sources to support their activities, without special requests and prior approval by the state\textsuperscript{36}. The organizations can receive funding from international bilateral (USAID, SDC, embassies and others) and multilateral sources (such as the EU), then individuals, corporations, and other sources. CSOs can receive funding from foreign sources without any restrictions (e.g. administrative or financial obligations, prior approvals, or channeling of funding via specific authorities).

CSOs can receive funding from individuals, corporations and other domestic sources without restrictions.\textsuperscript{37}. Dominant domestic sources of funding are government grants, membership fees, corporate and individual donations. The Law on Donations and Sponsorships in Public Activities plays a key role in stimulating donations from individuals and companies.\textsuperscript{38}

\textsuperscript{34} Article 63, Law on Associations and Foundations (“Official Gazette of the Republic of North Macedonia” no. 52/10, 135/11 and 55/16)
\textsuperscript{35} Law on Associations and Foundations (“Official Gazette of the Republic of North Macedonia” no. 52/10, 135/11 and 55/16)
\textsuperscript{36} Ibid.
\textsuperscript{37} Ibid.
\textsuperscript{38} Law on Donations and Sponsorships in Public Activities (“Official Gazette of the Republic of North Macedonia”, no. 47/06, 86/08, 51/11, 28/14 and 153/15).
CSOs are engaged in economic activities, and the legislation is implemented without any violations reported. According to the survey, 41.1% (67) CSOs are engaged in economic activity. Of them, 10 CSOs coped with complex administrative requests; six CSOs faced complex rules for accountability (reporting, monitoring) and three CSOs tackled other difficulties: fear of lack of sustainability due to increased minimal salary and monopoly over certain services (lack of competition). CSOs received foreign funding with minor difficulties.

According to the survey, the majority of CSOs (68.1 %) had foreign donors as a source of funding. The survey showed that out of those, 47.2% (77) CSOs faced complex procedures for VAT exemption for foreign funds (long period of waiting for project registration which influences the beginning of the project implementation; the process is not online and only available in the capital city; donors canceling support due to the long procedures; administrative barriers; lack of capacities of the employees; lack of understanding on the side of businesses of the procedure; lack of clarity of rules and difference in responses by the state officials; problematic procedure for the partners of the consortium of the project; lack of ability to ask questions concerning the procedure over the phone.

CSOs freely receive funding from individuals, corporations and other sources. According to the survey, the majority (88,96%) of CSOs have not obtained funds from domestic private donors.

<table>
<thead>
<tr>
<th>Chart 2. Please select the answers relevant to your experience when receiving funds from foreign donors [%]:</th>
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<tr>
<td><strong>Complex procedures for VAT exemption for foreign funds</strong></td>
</tr>
<tr>
<td><strong>We had an obligation to register in a state body when receiving foreign funds</strong></td>
</tr>
<tr>
<td><strong>We paid special taxes on the foreign funds we received</strong></td>
</tr>
<tr>
<td><strong>We had an obligation to obtain a permit to collect and receive foreign funds</strong></td>
</tr>
<tr>
<td><strong>We didn't have foreign donors</strong></td>
</tr>
<tr>
<td><img src="chart.png" alt="Bar Chart" /></td>
</tr>
</tbody>
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Box 1: EU Guidelines sub-area 1.1. Freedom of association

**Result 1.1. & 2.1.** Freedom of association was guaranteed for all in legislation and exercised in practice without limitations. The legal framework allows any person to establish associations, foundations and other types of non-profit, non-governmental entities for any purpose. It allowed both individual and legal persons to exercise this right without discrimination. Registration is not mandatory and for those that decide to register the process is clear, easy and not expensive. The legal framework provides guarantees against state interference in internal matters of CSOs. However, certain risks to the freedom of association pose provisions in the Criminal code and the Draft-Law on Lobbying. The financial reporting of CSOs is regulated by the Law on Accounting for Non-Profit Organizations, which was not amended even though improvement was envisaged in the Strategy.
Sub-area 1.2. Related-freedoms

1.2.1. Freedom of Peaceful Assembly

The legal framework provides guarantees for exercising the right to freedom of assembly in the Constitution of the Republic of North Macedonia39, and the key law is the Law on Public Assemblies (LPA) according to which the citizens have the right to spontaneous, simultaneous and counter-assembly, with no prior notice requirement40. The LPA provides for clearly listed limitations on the places of gathering41. The LPA has certain shortcomings which were not improved throughout the year: the obligations and responsibilities of the organizer of the rally are not clearly defined, high fines for the organizer in case of damages, foreigner need to ask for approval to be able to gather with severe penalties for non-compliance with the provisions.

By the end of 2019, an extensively amended and restrictive version of the LPA was prepared and shared for public consultations on ENER: a minimum of 50 people to hold an assembly, expanding the list of places where gatherings are restricted, prohibition for the participants to cover their faces and head, and regulation for holding an assembly between 06 and 23 h42. Relevant CSOs were not consulted in the preparation of these measures, and after serious reactions from the public and CSOs on social media, the Government quickly reacted and withdrew the law43.44.

The key law regulating the use of force in public assemblies is the Law on Police45. During 2019, the Law on Police was not improved in areas which were identified as flaws: keeping video recording for 45 days and undertaking audio and video recording without notification46.

CSOs were enabled and protected to hold numerous peaceful public gatherings with and without prior authorizations. Simultaneous, spontaneous and counter-assembly have taken place. During 2019 a total number of 525 announced and 298 unannounced public gatherings were recorded by the Ministry of Interior Affairs17. Most of the gatherings 67% (361 announced and 189 unannounced) aimed to express protest or opinion on issues which concerned certain groups of citizens, while 33% (164 announced and 109 unannounced) were rallies of political parties related to presidential elections and other activities of political parties. More than half of the announced (56%) and unannounced (55%) gatherings were held in Skopje. The issues that the citizens were protesting were numerous and diverse. Most of the protests held in Skopje were against the name change (141), followed by protests on the workers’ rights (121 protests in 8 cities), protection of the environment and climate change (63 protests in 7 cities), the need for improvement of local infrastructure (26 in 4 cities), agriculture (17 in 4 cities), and other issues48. Aside from the protests related to the name change, we can conclude that environment was the most prominent issue that people were protesting about (various aspects of the environment such as air pollution, mines, landfill, cutting trees, garbage, climate change, etc.). In addition, numerous workers have taken the streets to raise their concerns over their conditions and status. Certain requests were fulfilled by the Government, for instance, the Illovica mine in Strumica. The Government annulled the contract with the concessioner after and the activism was mobilized and pressured for revocation of the permit49.

According to the survey, 60,7% (99) respondents have taken part in a public gathering either individually or through the organization (both as participants and organizers).

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40 Law on Public Assemblies (“Official Gazette of the Republic of North Macedonia”, no. 55/95, 19/96, 119/06, 66/07, 152/15)

41 Article 2a, Law on Public Assemblies (“Official Gazette of the Republic of North Macedonia”, no. 131/96, 2/97, 11/98, 2/00, 42/00, 81/01, 58/02, 121/03, 8/04, 108/05, 65/06, 77/06, 108/07, 152/15)


43 MYLA (2019) Annual Report on the Efficiency of Legal Protection of Human Rights in the Republic of North Macedonia 2019 [Internet] MYLA. Address: https://myla.org.mk/publications/df%d0%a6%d0%ba%d0%be%d0%bb%d0%b8%d0%b5%d1%81%d0%ba%d0%b0%d1%8f%d0%b8%d1%82%d0%b0%d1%98%d0%b2%d0%b5%d1%88%d1%82%d0%b0%d1%98
%d0%b7%d0%b2%d0%b5%d1%88%d1%82%d0%b0%d1%98%d0%b7%d0%b2%d0%b5%d1%88%d1%82%d0%b0%d1%98 [Accessed on 20.02.2020]


46 Response by the Ministry of interior to the Request for access to information sent by MCIC on the 28.01.2020

47 Based on our desk research some of these protests organized per issue were: environment (Fridays for future, concession for 8 quarries that might destroy nature on mountain, protests Bitola, Save Popova Skapka, Lesnica, Kamesno/crni, informal initiative – Don’t be garbage, Anti-pollution protest “Cancerous Society”, New anti-pollution march, high schools, anti-pollution protest, Strumica anti-pollution protest, petition against landfill in Negotino, protest against landfill “Skopje Chernobyl” in Gjorce, Guerrilla action against cutting down trees in Skopje, Anti-pollution protest in Bitola, LGBT (Pride parade) and a contra protest, urban policies (On bike, On bike – Bitola, protest in Skopje for public toilets, Guerrilla actions in Ohrid, Bitola, Strumica and Skopje - inaccessible to people with disabilities, Removed exhibition of activists in Tetovo), protests against the name change, workers’ rights (former employees of Oh, workers in public institutions (professors in universities and high schools, cultural workers, medical persons, SONK, police, syndicate in Kumanovo, Police protest for bigger wages, artists strike, march of sex workers, Protest of associated organizations for the selection of directors of institutions, “We are doctors too” - co-funded trains across protest, textile workers protest, Court administration protest, protest of bailiffs, Protest of employees of ZK Pelagonija, Independent police union protest), sewage system, woman’s rights, agriculture, adoption of the law on anti discrimination, judicial reform, freedom for Albanian court cases), local protests against center for additions, protests against poverty, healthcare rights (students’ protests for free vaccination), etc.

Few limitations to the gatherings were registered. A total of 12 cases report administrative burdens and other restrictions (five cases of administrative burdens; three limitations to physical access; three limitations to the desired time for protest; and in one case, the excessive use of force by the police). The total number of detained persons in the public rallies were: Skopje (8) and in Ohrid (1-political rally). Complaints against police officers from dissatisfied citizens of police behavior during the public gatherings were submitted in Bitola. In addition, the MIA Unit for Internal Control, Criminal Investigations and Professional Standards acted upon two complaints against the use of police force during a public gathering (during a handball match, and during protest performance against police brutality). They were all considered as unfounded.

1.2.2. Freedom of Expression

The legal framework guarantees the right to freedom of expression to all. CSOs engaged in human rights and democracy promotion are allowed to speak freely and engage in advocacy. The freedom of expression is guaranteed through comprehensive legislation: The Constitution, the Law on Media, the Law on Broadcasting Activity, the Law on Civil Liability for Insult and Defamation, as well as the Law on Free Access to Public Information.

No significant progress was made during the year in the legal framework regulating the freedom of expression, in particular, to change the shortcomings identified in the Urgent Reform Priorities. Following the global and regional trends of fake news and disinformation campaigns, the government has announced and prepared an Action Plan to tackle the issue of disinformation and fake news and the civil society was invited to take part. The response by the journalist organizations to these developments was that the government should allow for self-regulation (for which several activities were undertaken already by relevant organizations). Despite this pledge for self-regulation, the action group from the Government began its activities.

The legislation provides for limitations of hate speech. The key legal act is the Law on Civil Liability for Insult and Defamation which does not require the need to obtain permission to speak publicly or deliver presentation/lecture; and there is no requirement that publications of organizations must be approved. The law was not amended throughout the year, even though indications were given in the Urgent Reform Priorities document stating that the number of cases of libel in courts, mostly

Chart 3. Have you or any other individual from your organization faced any of the following situations during practicing the right to free assembly: (%)

- Heavy administrative burden for organizers
- The desired time for assembly was limited
- The access to the desired place for assembly was limited
- State institutions applied excessive use of force over the assembly participants
- Part of the participants were detained

targeting journalists, should be reduced by introducing measures.

In practice, there was progress towards respecting the freedom of expression, particularly when it comes to media outlets and improvement of the climate for journalism. The country was ranked 95 in the 2019 World Press Freedom index, rising 14 places compared to 2018. However, journalists were still a target for hostility and threats, and a culture of impunity of the attacks over them persists. The following cases were recorded: verbal and physical attacks over journalists, pressures over journalist investigating organized crime in construction activities, physical attack by the security over female journalist during religious manifestation, two female journalists were target to hate speech and threats by a state employee, forceful eviction of representatives of the media from the building of the Constitutional court, where they were previously invited, to attend the meeting of the president of the court and the EU ambassador Zbogar. Furthermore, according to the AJM, a culture of impunity for attacks on journalists persists, as out of the sixty attacks in the past six years, 13 have not been investigated and many remain unsolved.

The last HRD report on the country shows that the human rights defenders who work in the field of journalism feel neither free nor restricted in exercising their freedom of opinion and expression. They confirm that the climate is more favorable, but still are exposed to constant threats and pressures, and usually дискredited if affiliated or with ng with CSOs.

According to the survey, over 90% of CSOs have not faced any limitations to the freedom of expression. However, cases of limitations or pressures were recorded.

Namely, eight CSOs practice self-censorship, seven CSOs faced pressure for critical speech against the government or private entities and seven CSOs faced pressure over their advocacy activities. Throughout the year, the CSOs were able to freely react to discriminatory, harmful and hateful expressions in public.

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96 Association of Journalists of Macedonia (2019) The safety of journalists is key to the existence of independent and professional media [Internet] Skopje, ZNM. Address: https://znm.org.mk/%d0%90%d1%81%d0%b0%d1%8c%d0%b8%d0%b2%d0%b0%d1%8e%d1%81%d1%82%d1%8b-%d0%b2%d0%be%d0%b2%d0%b0%d0%bd%d0%b8%d0%bd%d0%b1%d0%bb%d1%8f%d0%b8%d0%b4%d0%be%d0%b2%d0%b0%d1%8f%d0%b7%d0%bc%d0%bd%d0%b0 [%d0%b0%d0%b5%d0%b3%d0%bb%d0%b8] [Accessed on 20.02.2020]
98 http://www.govornomrazza.mk/; https://www.semm.mk/
1.2.3. Receiving and imparting information

The free access to information, freedom to receive and impart information are guaranteed in the Constitution and further elaborated in legal acts such as the Law on Interception of Communications, the Law on Electronic Communications, the Law on Criminal Procedure, the Law on Media, the Law on Audio and Audiovisual Media Services, the Law on Protection of Privacy, etc. Despite the need for comprehensive changes, there was no significant progress during the year.

The legal framework contains certain guarantees against illegal monitoring of communication channels. In regards to the state of protection of personal data, the system is partially functional since May 2019 as the Direction for protection of personal data has failed to assign a new director and deputy director, which has other relevant consequences over the work of the institutions.

There are very few cases in practice where restrictions are imposed over CSOs on accessing any source of information.

According to the survey, over 90% CSOs have not faced any limitations, however, 14 CSOs reported limited access to information, and six CSOs had their tools for communication blocked/hacked.

There are significant challenges to the sustainability and quality of journalism. Another challenge for the Government, despite trying to improve their approach to the media was the rise of fake news and disinformation in the social media. In December 2019, in order to proactively tackle the trend of disinformation and fake news, two CSOs, the AMJ and The Council of Ethics in Media published a Register of professional online media, consisting of 70 members that adhere to the obligatory criteria imposed by the Council.

Such positive developments show improvement in the media coverage of civil society. They are also used by CSOs to advocate for certain issues, to raise awareness, and generally, to present their work and contribute to the debate. Certain CSOs and think-tanks have been continuously recognized by traditional media outlets, such as the TV (invited to TV debates and informative programs).

In North Macedonia, internet access is cheap and available to all. According to the latest data from the State Statistical Office, in the first trimester of 2019, 81.8% of the households had access to the internet.
Internet from home. The participation of households according to the type of settlement, in the total population of households that have broadband internet is 85.7%. Of the total population between the age 15 -74, the Internet was used by 81.4%, and 72.9% used it every day or almost every day.

**Box 2: EU Guidelines assessment**

**Sub-area 1.2. Related-freedoms**

**Result 1.1.** Freedom of assembly and expression were guaranteed for all in law and in practice. The law does not limit spontaneous, simultaneous and counter-assemblies and numerous peaceful gatherings were enabled throughout the year. There is no requirement for prior authorization of a peaceful assembly. Most of the restrictions provided are in line with best practices. The law does not provide restrictions to the freedom of expression, such as limitation of hate speech nor restrictions over communication channels through which a message is received and imparted which are not in line with international standards. The media climate and treatment towards journalists has improved, yet certain pressures and threats persist both towards investigative journalists and civil society activists.
Area 2: Framework for CSO Financial Viability and Sustainability

Sub-area 2.1. Tax/fiscal treatment for CSOs and their donors

2.1.1. Tax Benefits

The progressive tax reform introduced at the end of 2018, included adoption of amendments in two laws relevant for CSOs, the Law on Profit Tax and the Law on Personal Income Tax. However, during 2019, one part of the legal solutions of the progressive tax reform was “suspended for the next three years” by the new Minister of Finance. Fortunately, there were no changes in regard to the provisions concerning CSOs. Namely, CSOs are not subjects to the Law on Profit Tax and the new Law on Personal Income Tax exempts them in respect of the compensation paid to volunteers, all accommodation, food and transportation costs for attendees of events organized by the CSOs, as well as travel expenses for attending educational activities and events by educational institutions and organizations abroad.

In addition, the Law on Value Added Tax (VAT) was amended and became more favorable for CSOs. Namely, with the amendment all taxpayers (including CSOs), whose total turnover exceeded 2 million MKD (approx. 32,000 EUR) in the past calendar year or whose total turnover is anticipated to exceed the amount at the beginning of the performance of the business activity or to exceed the amount during the year, shall be obliged to register for VAT. The previous threshold was significantly lower, 1 million MKD (approx. 16,000 EUR) and presented a burden to CSOs that aimed to engage in economic activity.

Finally, the grants and donations from foreign donors are VAT exempted, with the precondition of going through the procedure of registering the project in the Central Donor Assistance Base led by the Secretariat of European Affairs. The VAT exemptions are the most used tax exemptions.

According to the survey, nearly half (48.47%) CSOs use VAT exemptions, 5.52% use personal income tax exemptions, and 3.07% exemptions on the income from economic activity. Over a third (34.36%) don’t use exemptions, and 14.11% responded they did not know that exemptions are available for their organization. The long and burdensome project registration procedure in the Secretariat for European Affairs inflicts additional costs and difficulties for CSOs.

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84 Law amending the Law on Value Added Tax ("Official Gazette of the Republic of North Macedonia" no. 275/19)
85 Rulebook for the methods of implementation of VAT exemption for goods and services intended for project implementation funded on a contract basis for donation, concluded between the Republic Macedonia and foreign donors, if the agreement provides that taxes will not be paid with the received funds (Official Gazette of the Republic of North Macedonia No. 98/14)
The legislation provides benefits to all CSOs for their economic activities. Pursuant to the Law on Profit Tax they do not pay profit tax. The Law also specifies which income is not taxed. The income becomes taxable once the total threshold of one million MKD (approx. 16,000 EUR) is exceeded with 1% tax calculated against the exceeding amount only. In addition to the economic activities, non-taxable revenues are those generated by membership fees, charitable contributions, donations, grants, gifts (in money, goods, property rights), wills, legates, revenues from dividends from trade companies established with the funds of the association, and revenues from the Budget. According to the survey, five CSOs use tax benefits for economic activity. Out of the 84 CSOs which selected using tax benefits, 26 said they did not know benefits exist, while the rest consider the administrative obligations on using tax benefits for economic activities to be on the average 6th degree of difficulty (on a scale from 1 to 10, where 1 is the least difficult).

2.1.2. Incentives for Individual and Corporate Giving

The Law on Donations and Sponsorships in the Public Activities (LDSPA)66 provides tax incentives for individual and corporate donations to CSOs. According to LDSPA67, an individual who donates funds can deduct the calculated, but not paid personal income tax, or can return the paid tax calculated on the basis of its annual tax return in the amount of the donation, but not more than 20% of the donor’s annual tax debt, or 390 EUR the most. The enterprises can use tax benefits amounting to 5% in case of a donation and 3% in case of a sponsorship. The Unit for Cooperation with NGOs informed the Council for Cooperation with and Development of the Civil Society that a local NGO Konekt, together with the Ministry of Finance is in the final phase of preparation amendments to the LDSPA, to improve its functioning (complicated administrative procedure, determining public benefit on specific donation/spONSorship, etc.)68.

Individual and corporate giving is insufficiently practiced, particularly towards the civil sector. According to the survey, 24% of the CSOs receive funding from individual donors, and 18% from corporate ones. The administrative procedure for tax incentives is not supportive.

According to the survey, more CSOs agree (19.6%) than those that disagree (8%) about the procedure for obtaining tax benefits for individual donors being difficult, while 23.9% responded that they did not know. When it comes to the procedure for obtaining tax benefits for corporate donors, 17.8% CSOs agree that the procedure is difficult, 8% disagree and 25.8% did not know.

According to Catalyst Balkans, the donations for charitable purposes noted a decrease of 13.4%.89. Most of the donations are coming from citizens (46.1%), companies (40.4%) and individuals (7.4%). Donations are given for health protection (23.2%), marginalized persons, poverty and education. CSOs as users of donations are ranking second (29.3%), with citizens being the most active donors to

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67 Ibid.
CSOs (70%). The corporate sector is in second place with a significant decline.

CSOs can obtain a public benefit status (PBO) according to the LAF⁹⁰, but no benefits are envisaged. There are four CSOs with PB status (only one new PB status was awarded in 2019)⁹¹. The PB Status Committee held the fifth session in 2019, concluding that the Unit for Cooperation with NGOs should prepare an analysis of the legislation that regulates the PB status and comparative analysis.

Finally, the concept of corporate social responsibility (CSR) is understood as potentially encouraging corporate giving, thus is still of interest to the Government. The Ministry of Economy adopted a Mid-term strategy for CSR (2019-2023) aiming to define and implement a comprehensive approach towards the promotion and advancement of the CSR with a focus on businesses⁹². CSOs are listed as implemeters of some of the measures/activities in the action plan of the Strategy.

Box 3: EU Guidelines assessment
Sub-area 2.1. Tax/fiscal treatment for CSOs and their donors

Result 2.2. & 2.3. CSOs are not subjects to the Law on Profit Tax, and the income from CSOs mission-related economic activity, is tax free up to the amount of annual income of 16,000 EUR per year from economic activity, then 1% tax is calculated on the amount exceeding the threshold. The Law on Personal Income Tax also provides certain exemptions. Finally, the LSDPA provides tax incentives for individual (20% with limitation) and corporate (3-5%) giving. However, the LSDPA should be amended particularly the procedure in order for donations to be stimulated. CSOs mostly use the possibility for VAT exemptions on the activities that they implement within the foreign funded projects, even though the procedure for registering the projects within SEA was assessed as particularly long and burdensome.

Sub-area 2.2. State support

2.2.1. Public Funding Availability

The legislation contains certain provisions for state support for institutional development, project support and co-financing of EU funded projects, usually targeting segments or sub-sectors of civil society. A few legal documents provide the basis for the decentralized mechanism for the distribution of public funds to CSO that exists with major shortcomings. Key laws and bylaws are LAF⁹⁰, Law on Execution of Budget⁹³, Law on Games of Chance and Entertainment Games⁹⁴, Decision on the distribution of income from games of chance and entertainment games⁹⁶ Criteria for distribution of income from games of chance and entertainment games, Code of Good Practice for Financial Support of Associations and Foundations⁹⁷. Other laws also regulate some aspects of state support in different areas such as sports, culture, health and so on.

The legal framework regarding public funding for CSOs was not substantially improved throughout the year. The measures related to the comprehensive public funding reform provided in the new Strategy are expected by the first trimester of 2020⁹⁸. During the year, high-level efforts were dedicated to the issue of state funding at a CSO organized conference, where the then-Prime minister Zaev confirmed

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⁹² Ministry of Economy (2019) Medium-term strategy for social responsibility of North Macedonia [Internet] Skopje, Ministry of Economy. Address: http://www.economy.gov.mk/Upload/Documents/%D0%A1%D1%82%D1%80%D0%B0%D1%82%D0%B5%D0%B3%D0%B8%D1%82%D0%B5/%D0%92/%D0%90%D0%92%D0%B5%D0%92%D0%BE%D0%BC%D1%88%202019.pdf [Accessed on: 20.02.2020]
⁹⁶ Each year a new decision is adopted according to the Program for financing the program activities of the national disability organizations, their societies and their association, associations fighting domestic violence and the Red Cross of the Republic of North Macedonia from revenues from game of chance and entertainment games in 2019 (“Official Gazette of the Republic of North Macedonia”, no. 29/19).
strongly the willingness of the Government to improve the existing model.

The budget allocation mechanism for CSOs is decentralized. The main budget expenditure line for CSOs, which is 463 - Transfers to Non-Governmental Organizations (NGOs), continues to cause confusion since the greatest budget allocation from that line goes to political parties and sports clubs. The confusion arises due to a lack of public access to the amount of funds allocated per sub-items in the budget (or final account) published by the Ministry of Finance99. In addition, other budget line items are used to allocate funds by different state institutions such as 464 – Different transfers.

The 2019 budget funding on the central level, was allocated through nine different state institutions (without the Ministry of Defense as in 2018)100. Those were: General Secretariat of the Government, Ministry of Economy, Ministry of Agriculture, Ministry of Health (MH), Ministry of Labour and Social Policy, Ministry of Culture (MC), Ministry of Environment and Spatial planning (MESP), Agency for Youth and Sports and Fund for Innovations.

The strategic approach in granting budget funds to the associations and foundations is a legal obligation of the state institutions as per: Law on Budget101, LAF102, Law on Games of Chance and Entertaining Games103. Code104 Decision on the Criteria and Procedures for Distribution of the Funds for Financing the Program Activities of the Associations and Foundations from the Budget105. Different institutions prepare numerous strategic documents which consider public funding for CSOs: Program for financing the program activities of associations and foundations106. Strategic Plan of the Ministry of Labour and Social Policy (2020-2022)107, the National Strategy for the development of culture108, Strategic Plan of the Ministry of Health109, Open data strategy110, Strategic Plan of the Ministry of Education and Science111, Strategic Plan of the Agency for Youth and Sports112, National Strategy on Women Entrepreneurship113, and many others.

The procedures prescribed for CSO participation in all phases of the public funding cycle have shortcomings. Namely, the Code stipulates clear procedures concerning applying and implementation of projects by CSOs, but it does not on consultations over funding priorities, nor participation in the selection of projects, monitoring and evaluation114.

According to the survey, 25% of CSOs agree that they take part in the process of setting up priorities for state funding, 65.5% of CSOs disagree.

State funding is still almost a non-recognizable source of income for CSOs and only available for a limited number of organizations. The lack of available funding is a serious challenge for CSOs. Within, the budget item 463-Transfer to NGOs, according to the data provided by state institutions a total amount of 512 million MKD (approx. 8.3 million EUR) were planned as financial support for NGOs115. This amount differs from the one published within the country budget, according to which the planned amount is 726 million MKD (approx. 11.8 million EUR)116. The average planned amount per CSOs totals to 180,432 MKD (approx. 2.922 EUR). Furthermore, the share of public funding in the total

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102 Law on associations and foundations
sectoral income is 15.98 % (including municipalities); and 11.23 % (only the funding on central level) for 2018\textsuperscript{117}. The Government mostly provides annual project support for the CSOs, however, there are certain forms of support which can be considered as a mix between institutional and project support, such as the funding of 17% allocated via the Ministry of Labour and Social Policy (MLSP), and 22% via the Agency for Youth and Sports (AYS) (of the total amount available for CSOs for 2018). There are also co-financing examples distributed through the Ministry of Economy, the Ministry of Culture and the Ministry of Local Self-government, but the amounts are not clearly presented. The biggest share of state funding for CSOs is allocated through the MLSP and the AYS. According to the latest available data, Government funding although increased by 5% in 2018 compared to 2017\textsuperscript{118}, it was cut by 13% in 2019, compared to 2018.

![Chart 8. Please select the type of state support your organization has received from the national or local government agencies:](chart)

The survey provides evidence of a shortage of available public funding. Fifty-six 56 (34%) CSOs have received project support, three CSOs received an institutional grant, and fifteen CSOs received EU co-financing. Furthermore, a third of the CSOs (29.8%) agree, and 56% CSOs disagree on whether the state funding is sufficient and commensurate to the needs of CSOs.

### 2.2. Public Funding Distribution

The legal framework stipulating a procedure for state funding, contains certain provisions on transparency and accountability in various laws (Law on Execution of Budget\textsuperscript{119}, Decision on the Criteria and Procedures for Fund Distribution for program activities of the associations and foundations from the budget\textsuperscript{120} and the Code). There was no progress in the preparation of a law to standardize the procedure of allocation of public funds, as it is set for 2020\textsuperscript{121}. Numerous legal acts contain provisions on different parts of the process for the distribution of public funding. In terms of announcing the grant procedure- Law on Execution of Budget\textsuperscript{122}, Law on Environment\textsuperscript{123}, Law on Culture\textsuperscript{124} and more specifically when it comes to publishing an open call for a specific type: Law on Sports\textsuperscript{125}, Law on Games of Chance and Entertainment Games\textsuperscript{126}, Law on Social Protection\textsuperscript{127}. When it comes to the decision-making part, the criteria and procedure for selection of the CSOs are set in several legal acts (Code, MLSP, AYS). Furthermore, various legal acts prescribe the the grounds for establishing expert bodies (commissions, council) and for assessing and deciding on on applicants, but

\textsuperscript{117} Hafner Ademi, T., Mltavski V., Stojkoski, V., Mojanoski, G. (2019) Analysis of the financial support for associations and foundations from the Budget of the Republic of North Macedonia.
\textsuperscript{118} Ibid.
\textsuperscript{120} Decision on Criteria and Procedure for allocation of funds for program activities of associations and foundations from the Budget of the Republic of North Macedonia ("Official Gazette of the Republic of North Macedonia", no.2309)
\textsuperscript{123} Law on Environment ("Official Gazette of the Republic of North Macedonia", no. 93/05, 81/05, 24/07, 159/08, 83/09, 48/10, 124/10, 51/11, 123/12, 83/13, 157/13, 42/14, 44/15, 123/15, 152/15, 39/16 and 98/16).
\textsuperscript{125} Law on Sports ("Official Gazette of the Republic of North Macedonia", no. 29/02, 6/04, 81/08, 18/11, 511/1, 64/12, 148/13, 167/13, 42/14, 138/14, 177/14, 72/15, 153/15, 61/16, 106/16 and 190/16).
\textsuperscript{127} Law on Social Protection ("Official Gazette of the Republic of North Macedonia", no. 104/19, 146/19 e 275/19)
fail to provide sufficient details. Finally, the publication of the results on the websites of the state institutions is regulated in the LAF, Code, and the Law on Culture.

The majority of state institutions that allocate funds to CSOs fail to provide publicly available information on the procedures for funding and information on funded projects. Those that provide are not sufficiently detailed but cover basic details (Unit for cooperation with NGOs, Ministry of culture, Fund for innovations, AYS and MLSP). All state institutions that allocate funds publish open calls for proposals online. A series of events which occurred during 2019 increased transparency and accountability of the process of distribution of public funds to CSOs. For the first time, state institutions submitted data on the allocation of funds to CSOs on the national and local levels. The data was later published as a material for one of the session of the Council for Cooperation and Development of the Civil Society (hereinafter: Council). Secondly, the names of all the recipients of public funds (including NGOs) were published on the web-site Open Finance by the Ministry of Finance. Finally, the information on the entire assessment process and selection of results on the funding from the General Secretariat of the Government for CSOs for 2019, was published on the website of the Unit.

The Council appointed two representatives from CSOs to conduct oversight and prepare a report on the process. Based on their report there were concrete conclusions and recommendations on the need for further improvement of the evaluation process and that this oversight is a good practice. Namely, they reported that the process should have been better organized with more evaluators, and even though the Unit for Cooperation with NGOs can lead this process, there is still a need for improved technical skills and digital solutions. They also highlighted the lack of possibilities for grants to smaller and newer organizations from different regions (other than Skopje).

Some state bodies that allocate funds to CSOs failed to follow the procedure and apply it in a harmonized way.

According to the survey, 41.7% CSOs agree that state institutions follow legally prescribed procedures for funding allocation, while 29.8% disagree.

The application requirements imposed by state bodies are burdensome for just over half of the respondents to the survey. Yet the majority considers the criteria for applying clear.
Namely, 56% CSOs consider that the application requirements are burdensome (e.g. high costs, plethora of documents; difficult to access documents); while 35.7% disagree. Also, 70.3% of the CSOs consider the criteria for applying to be clear, 23.8% disagree. The majority of CSOs consider the decisions on tenders to be unfair. According to the survey, out of 84 CSOs (51.5%) that wanted to provide their opinion (out of total 163 CSOs), 20.2% agree that the decisions on public funding allocation is fair, while 63.1% disagree.

2.3. Accountability, Monitoring and Evaluation of Public Funding

There are legal acts that provide certain measures for accountability, monitoring and evaluation. According to the Law on Budget, every expenditure and transfer from the budget must be corroborated with credible accounting documentation. The grounds why reporting is needed is given in the LAF, according to which, when receiving funds from the Budget, a financial report is to be submitted to the relevant state institution. Finally, various regulation provides an obligation to submit a report within a month following the end of the project: the annual decisions of the General Secretariat of the Government for distribution of budget funds, Law on Environment, Law on Culture, Law on Sports, Code of Good Practices for Financial Support of Associations and Foundations, etc. The evaluation of the effects resulting from the implemented activities of the CSOs, which were funded by the budgetary grants is prescribed with the Code, reading that every institution should evaluate the utilization of the funds and the results achieved based on the submitted reports and propose recommendations.

The legislation does not prescribe specific and proportionate sanctions for CSOs that misuse public funds. The Criminal Code considers the legal representatives of CSOs to be public officials, thus the same sanctions apply. The Code does not suggest sanctions, rather regular monitoring of the spending and in case of failure to fulfill the contractual obligation the funds must be returned to the
Monitoring is implemented rarely and for the sake of providing information to the Government. The field visits are rare and organized mainly by MLSP and FITR. Moreover, the General Secretariat of the Government, engages in monitoring, as it is an element of the Agreement they make when awarding grants and in accordance with the Code. According to the survey, out of the 84 CSOs that received state support, the projects of 14% CSOs were not subject of monitoring; 25.2% CSOs were subject of monitoring. Then, for 33.7% CSOs the monitoring was carried out following predefined criteria, and for 4.3% it was not. Finally, for 23.3% CSOs the monitoring visits were announced, while for 8.6% CSOs they were not.

2.2.4. Non-Financial Support

The legislation provides the basis for the allocation of non-financial support to CSOs. The key law is the Law on Usage and Disposal of Government Owned Items, which stipulates that movable and immovable property owned by the government bodies is granted following a government decision to use or transfer the right of ownership, with or without compensation to CSOs. CSOs can also receive real estate for temporary or permanent usage, with or without compensation, and use movable items owned by the Government. Yet, there are no provisions with criteria for the transparent allocation of the non-financial support. In addition, the Law on Local Self-Government determines that the ownership of the municipalities can be transferred to other entities via public auction.

There are a few cases of CSOs that use non-financial state support. According to the survey, 16 CSOs were granted non-financial support by the state in 2019 (office for events, work, training and equipment). Also, according to the data from Government sessions 18 CSOs were identified as receiving movable items.

Out of the total number of respondents (163), 24 CSOs disagree that the requests for non-financial support to the state are easy to fulfill, 25 CSOs agree, and 35 CSOs do not know. CSOs do not perceive themselves as being treated in an equal manner as the other actors when it comes to access state non-financial resources. Namely, 35 CSOs do not agree, while six CSOs agree and 43 CSOs do not know if they have an advantageous position compared to other actors. Concerning the fairness of the allocation of the non-financial support, according to the survey, seven CSOs agree that decisions are fair, 32 CSOs disagree, while 45 CSOs said they do not know. Furthermore, in terms of being critical to the Government, 12 CSOs agree that critical CSOs can access non-financial support; 25 CSOs do not agree and 47 CSOs do not know.

Box 4: EU Guidelines assessment
Sub-area 2.2. State support

Result 2.4. The comprehensive reform of the system for state funding for CSOs has progressed slowly. During the year, certain state institutions that allocate funding have undertaken steps to improve different aspects of the procedure and increase their transparency and accountability (increased number of open calls, availability of information concerning awarded projects to CSOs). In addition, the state funding for CSOs on central level increased. Government support to CSOs was available, yet insufficient. The data on the distributed amount of public funding for CSOs has become available in details via the Open Finance portal. The Ministry of Labor and Social Policy and the Agency for Youth and Sport have the largest budgets for distribution to CSOs concerning social protection, sports and youth. The legal framework for public funding for CSOs does not provide: institutional support; prepayments; multi-annual contracts; and financing EU and other projects. Furthermore, there is a non-binding procedural document (Code) that regulates the distribution based on best practices.

145 Ibid.
146 Response provided by the General Secretariat of the Government of Republic of North Macedonia to the Request for access to information sent by MCIC on the 20.01.2020
Sub-area 2.3. Human resources

2.3.1. Employment in CSOs

The legislation enables CSOs to employ people, and there have been certain improvements in recognizing the sector as an employer by the State. The existing laws and policies apply to CSOs as employers, yet they do not reflect the specific nature of CSO operation (Law on Labour Relations[150], Law of Employment and Insurance in Case of Unemployment[151]) and there is the unequal treatment when it comes to benefits available for businesses (Law on the Employment of disabled persons[152][153]). Furthermore, the civil sector is not represented in the employers’ organizations[154] and is unclear which collective agreement covers it.

Government policies on increasing employment are focused on the business. Namely, the 2016-2020 National Employment Strategy only lists CSOs as implementers of measures, rather than users[155]. Yet, important steps were taken to build supportive measures, and there were certain Programs and measures for employment available for CSOs in 2019: subsidizing salaries (since 2017 the CSOs are a special type of legal entity that can apply to use this measure) and employment and growth of legal entities (support for new employment)[156].

Employment data for the civil society sector is collected and published by the CRNM. The data is extracted from the financial reports of the CSOs submitted annually (number of full-time employees, expenditures for salaries, etc.). There is still no data available on part-time employees, people with short-term contracts and volunteers. The total number of employees in associations and foundations according to the CRNM is 1,645 (0.21% of all employed in the country in 2018)[157].

There are few cases of CSOs using different incentive programs for employment, as well as CSOs that face minor difficulties in receiving support from the state in regards to employment.

According to the survey, eight CSOs used government support through programs for stimulation of employment. Furthermore, according to the Agency for Employment[158], of over 2,500 users of active programs and measures for employment from the Operational plan for 2019, only 3.28% (82) of them are CSOs.

The Konekt’s study provides further insight, concluding that CSOs are insufficiently informed on the possibilities and the duration of the call for support, as each of the measures is available within certain part of the year[159]. Furthermore, very few CSOs were able to use the incentives for opening new employment positions, mainly because, due to their lack of long-term funding, they may not be able to continue to pay the salaries once the state support ends.

2.3.2. Volunteering in CSOs

The legislation protects the volunteers and their organizations, and enables spontaneous volunteering, with certain inconsistencies. The key law is the Law on Volunteering[160] which regulates the rights and obligations of volunteers and organizers of volunteering, with clearly defined contractual relations and protection. Other relevant laws are the Law on Labour Relations[161], Law on

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155 Ibid.
158 Total workforce according to the latest official statistics is 799.546. http://www.stat.gov.mk/
159 Response provided by the Employment Service Agency of the Republic of North Macedonia to the Request for access to information sent by MCIC on the 04.02.2020
161 Law on Volunteering (“Official Gazette of the Republic of North Macedonia”, no. 85/07, 161/08, 147/15)
Transformation into Full Time Employment\textsuperscript{162}, Law on Foreigners\textsuperscript{163} and the Law on Employment and Work of Foreigners\textsuperscript{164}. Furthermore, a new Law on Internship was adopted in 2019\textsuperscript{165} providing a distinction between the concept of internship and voluntarism. The law stipulates conditions for interns, such as being unemployed and younger than 34 with at least primary education completed. The law regulates the procedure and conditions for internship, the rights and obligations of the intern and the employer.

There are certain incentives for both volunteers and organizations and state-supported programs for the development and promotion of volunteering. According to the Law on Volunteerism, volunteers are entitled to tax-free reimbursement of costs associated with volunteering (food, transportation and training), which is a minimum of 15\% of average gross salary in the country\textsuperscript{166}. Also, CSOs can access incentives if they engage interns, through the employment programs that subsidize the involvement of interns\textsuperscript{167}.

Few CSOs have used government support for volunteerism. According to the survey, eleven CSOs used government support through programs that stimulate volunteerism in CSOs. Also, three CSOs praised this process within the Agency.

Even though the country has no national strategy or functional council on voluntarism, the issues of promotion and development of voluntarism, as well as the need to amend the legislation and the new National Strategy for Promotion and Development of Volunteering 2020 – 2025 were discussed at an event organized by CSOs and other institutions\textsuperscript{168}. There is neither accurate data on the number of volunteers in CSOs, nor on the number of voluntary hours implemented in CSO.

Volunteerism is not very high on the political agenda yet, which different studies point out. The majority (76.1\%) of young people between 15-29 years of age have never volunteered, and only 26.5\% have\textsuperscript{169}. Another study on youth finds that 90\% of the respondents were never part of a civic or non-governmental organization\textsuperscript{170}. According to World Giving Index, only 8\% of the citizens volunteered their time to an organization (in the past 10 years)\textsuperscript{171}.

Very few CSOs consider the administrative procedure for engaging volunteers to be complicated and costly. Thus the process of attracting volunteers or becoming one presents a minor challenge to the work of CSOs. According to the survey, 81\% of CSOs have engaged volunteers in 2019.\textsuperscript{172}

2.3.3. Non-Formal Education

The legislation allows for non-formal education and for CSOs to take part in the informal education system, however, with certain difficulties. There are limited examples of CSO-related topics being integrated in informal education. The legal basis for regulation of the non-formal education by CSOs is provided in numerous laws, such as the Law on Adult Education\textsuperscript{173}, the Law on Bureau for Education Development\textsuperscript{174}, the Law on Procurement, etc.\textsuperscript{175} By the end of 2019, the Ministry of Education and Science published the new Draft-law on Adult Education\textsuperscript{176} for electronic consultations, aiming to include: validation of non-formal and informal education, improved process of verification of special programs for adults’ education, etc. Throughout the year, the Economic Chamber of Macedonia expressed concerns that the procedures of the existing Law on Adult Education are burdensome and rigid\textsuperscript{177}. Furthermore, the non-formal and the adult education are key strategic areas in the

\textsuperscript{162} Law on Transformation into Full Time Employment
\textsuperscript{163} Law on Foreigners
\textsuperscript{164} Law on Employment and Work of Foreigners
\textsuperscript{166} Law on Volunteerism ("Official Gazette of the Republic of North Macedonia", no. 85/07, 161/08, 147/15)
\textsuperscript{171} Three responses were provided to further explain that the easiness of their work in engaging volunteers was related to the easy procedure in AVRM, however this probably refers to the access to the state benefits related to interns, so there is a misunderstanding of the concept in those cases.
\textsuperscript{174} Law on Public Procurement ("Official Gazette of the Republic of North Macedonia", no. 24/2019).
Comprehensive Strategy on education (2018-2025) and the action plan. In addition, the Strategic Plan of the Bureau for Development 2020-2022, in one of its key results envisages a development of a new concept for civic education with concrete activities to be undertaken.

Subjects related to civil society are included in the official curriculum in both primary and secondary levels of education. At university, students are obliged to undertake an internship, which is differently regulated under each institution. It includes the possibility for students to undertake an internship in a CSO. Also, as per the civic education, discriminatory content was discovered in various curriculum textbooks, which were published decade ago. Following the reactions of CSOs and concerned citizens, the Government placed the materials on the list of materials that needed revision and published it on the Ministry for Education and Science website.

There are several cases of CSOs being certified as providers of training and non-formal education by the state. According to the data provided by the Ministry of Education and Science for 2019, a total number of 266 institutions are implementing separate programs on adult education, nine (9) of them are associations that work and implement a total number of 16 programs on adult education, in three different cities (two CSOs are from Veles and Strumica and the rest from Skopje). Journalism is an example of how non-formal education can play an important role. Students interested in journalism are supported by the School of Journalism and Public Relations (SJPR), the Democracy Lab – School for young journalists, and many other CSOs that provide short courses on increasing investigative journalism skills, etc. thus filling the gaps of the formal education which needs reforming.

Box 5: EU Guidelines assessment
Sub-area 2.3. Human resources

**Result 1.2.** Certain provisions in the policies and the legal environment facilitate and, to a certain extent stimulate volunteering and employment in CSOs. Employment data for the civil society sector is collected and published by the CRNM. The data is extracted from the financial reports of the CSOs submitted on annual level (number of full-time employees, expenditures for salaries, etc.). There is no data available yet on part-time employees, people with short-term contracts and volunteers. The total number of employees in associations and foundations according to the CRNM is 1,645 (0.21% of all employed is the country in 2018). Even though the number of volunteers is not available, certain reports point out a very low engagement in volunteerism.
Area 3: Government-CSO Relationship

Sub-area 3.1. Framework and practices for cooperation

3.1.1. State Policies and Strategies for Development of Cooperation with Civil Society

The implementation of the Strategy for Cooperation with and Development of the Civil Society and an Action Plan for 2018-2020 noted progress. Information concerning the implementation of the measures and activities is regularly collected and published by the Unit for Cooperation with NGOs, and the Council is engaging in quarterly oversight\(^{184}\). Progress in the main development measures for the civil society is still slow (reform of public funding, individual and corporate donations, social services and volunteering), as part of those are envisaged for 2020.

CSOs undertook different activities that contributed to the realization of the Action plan. Even though CSOs are not listed as implementers, as this is to be understood as an obligation of the relevant institutions, their contribution is mentioned in the report on the implementation\(^{185}\).

CSOs are included in the monitoring of the implementation of the Strategy, through the Council the mandate of which is to follow the implementation. Namely, at the Council sessions, there were regular discussions concerning the implementation of the Strategy and reviews of the Unit reports on its implementation. The realization of the Strategy for 2018 was reviewed at the 10\(^{th}\) session of the Council. It was concluded that the report did not reflect the situation, and recommended\(^{186}\) quarterly reporting on the implementation of the Strategy. Then, the Council reviewed the quarterly report (July-September 2019) on the implementation of the Strategy on the 16\(^{th}\) session (October 2019), however, the content of the discussions and the feedback by the members concerning this report were not reflected in the minutes\(^{187}\).

3.1.2. Institutions and Mechanisms for Development of Cooperation with Civil Society

Three main institutions and mechanisms are responsible for facilitation of the cooperation with CSOs: the Council for Cooperation with and Development of the Civil Society, the Unit for Cooperation with NGOs, and the network of public servants for monitoring the implementation of the Strategy\(^{188}\), consisting of 18 state institutions. The main mechanism, the Council as a cross-sectoral advisory body, remained functional.

Throughout the year, the Rules of procedure of the Council were changed twice. The first amendments included two important changes. The first one related to the efforts of the Council to address the issue of absence at the sessions and the second one added a new chapter which regulated the procedure for nomination of representatives from the civic sector in consultative bodies and working groups. The second step is worrisome since the Decision does not provide a legal base for the Council to introduce this task as part of the mandate within the Rules of procedure, and to engage in the execution of requests from government bodies (such as a request for nomination), but rather give advice. The procedure provides for certain deadlines and online publishing of calls for proposals; however, it is the Council that eventually votes and makes the decision on the representative who should take part in these groups/bodies. How it affects the work of the Council is yet to be analyzed, as the more time is dedicated to discuss nominations, the less time is left to deal with the key measures of the Strategy\(^{189}\) leaving this in the hands of the CSOs rather than the Council. The second amendment to the Rules introduced a new chapter on correspondence sessions, as a way of electronic voting for issues for which physical presence is not necessary, aiming amongst


\(^{185}\) ibid.


\(^{187}\) ibid.


other, to tackle the lack of regular participation at sessions. However, it is unclear whether the Council discussed the reasons for unsatisfactory participation, before providing solutions.\footnote{Unit for Cooperation with NGOs in the General Secretariat in the Government of the Republic of North Macedonia (2019) Amendments to the Rules of Procedure of the Council for Cooperation with and Development of the Civil Society [Internet] Skopje, Unit for Cooperation with NGOs. Address: https://www.nvosorabotka.gov.mk/sites/default/files/Dopolnuvanje%20na%20Delovnikot%20so%20Sovetot%202019%2010%20191.pdf [Accessed on 20.02.2020].}

The Council has been actively functioning since April 2018 and has held a total number of 18 sessions by the end of 2019, going over the minimum legal requirement for holding at least four sessions a year. During 2019 a total of 10 sessions were held.\footnote{Unit for Cooperation with NGOs in the General Secretariat in the Government of the Republic of North Macedonia, Council for Cooperation with and Development of the Civil Society [Internet] Skopje, Unit for Cooperation with NGOs. Address: https://www.nvosorabotka.gov.mk/?q=node/99 [Accessed on 20.02.2020].} From the available minutes of the sessions, most of the items on the agenda of the Council, 16 out of 56 total items during 2019, were aiming to improve the cooperation and dialogue between the government and civil society, by nominating CSO representatives to participate in different government bodies and (2 out of those 16) to take part at events. Then, 16 topics for discussion on the agenda were dedicated on the improvement of the internal functioning of the Council. Then followed the discussions on sharing information on different aspects of state funding (6) together with four items on the agenda in total, including presentation of the on state funding for CSOs.

Almost every session the Council has placed certain recommendations and/or requests for different institutions. The requests made by the Council to the Unit for Cooperation with NGOs were all accepted and implemented on time. The Council directed other requests to several institutions, including MF (organized consultations on taxes), SEA (share draft-guide for registration of project and provide less time, 10 days for the duration of the procedure), MJ (timeline on possible changes in LAF) were all accepted and implemented. However, an important recommendation which was not considered referred to the Government’s increase of the funding from the Secretariat, from 12 million MKD (approx. 194,000 EUR) to 60 million MKD (approx. 971,700 EUR) for CSOs. Other adjustments to the funding program were made.

The regular participation at the sessions between the CSOs members and state institutions was a challenge. When it comes to participation of other CSOs, the practice shows that this has not been used as an opportunity. Namely, outside the Council, only two representatives of CSOs took part (one from the member organizations of the Council), and one independent expert. When it comes to regular participation of the CSOs at the sessions of the members of the Council every session had a representative absent. Namely, out of 10 sessions, there were more recorded absences on the side of civil servants (six members on average), than on the side of the members of the CSOs (four members on average). At two sessions, seven representatives from CSOs were absent, and at two sessions six CSOs were absent). The highest number of absent members in one session was noted at the 15th session when nine civil servants and seven CSO were absent.

According to the survey and concerning the information flow between the Council and CSOs, 61.3 % of CSOs are informed about the work of the Council, while 38.7 % are not.

However, when asked about how the Council can improve the information flow, numerous suggestions were provided. When it comes to the Council consulting with other CSO, the survey
showed that out of the CSOs which are informed about the existence of the Council (61.3%), 43% responded that the CSOs representatives in the Council consult with them about current issues, while 44% are not consulted, and 13% do not know.

Box 6: EU Guidelines assessment
Sub-area 3.1. Framework and practices for cooperation

Result 3.1. Three main institutions and mechanisms were responsible for facilitatation of the cooperation with CSOs: The Council for Cooperation with and Development of the Civil Society, the Unit for Cooperation with NGOs, and the network of public servants for monitoring the implementation of the Strategy, consisting of 18 state institutions. The main mechanism, the Council as a cross-sectoral advisory body, remained functional. The Council’s Rules of Procedure were changed twice, including a concerning legally ungrounded decision to add to the Council’s list of task the mandate to execute requests from government bodies (such as the request for nominations of representatives of CSOs in bodies and events). Concerning the information flow from the Council to CSOs, according to the survey, 61.3% CSOs are informed about the work of the Council. When it comes to the Council consulting with other CSO, 26.4% of CSOs responded that the representatives of CSOs in the Council consult with them on current issues. Almost at every session, the Council has come up with certain recommendations and/or requests for different institutions. All requests made by the Council to the Unit for Cooperation with NGOs were accepted, as well as requests made to several other institutions and all were implemented in a timely manner. Yet, one of the most important recommendations in relation to reforming the state funding for CSOs, the increase of the amount allocated by the Government Secretariat from approx. 19,000 to 971,700 EUR was not considered.

Sub-area 3.2. Involvement in policy- and decision-making process

3.2.1. Standards for CSO Involvement

The legal framework clearly defines the standards on the involvement of CSOs in all policy-making processes. Various documents provide the basis for the involvement of CSOs in policy-making and legislation preparation at the level of the Government and at the level of the Parliament (Constitution\textsuperscript{192}, Law for Referendum and Other Forms of Direct Vote of the Citizens\textsuperscript{193}, Law on the Government\textsuperscript{194}, Law on Organization and Operation of State Administrative Bodies\textsuperscript{195}, Rulebook of the Government\textsuperscript{196}, Strategy for Cooperation of the Government with the Civil Sector\textsuperscript{197}, Code of Good Practices for Participation of the Civil Sector in Policy-Making Process\textsuperscript{198}, Methodology for Regulatory Impact Assessment\textsuperscript{199}, and the Guidelines for the ministries on the way to proceed in the process of regulatory impact assessment\textsuperscript{200}).

The Rulebook of the Government stipulates that the draft-laws is to be published on the website of the line ministry and the ENER\textsuperscript{201}. Furthermore, the Rulebook provides to the CSOs and the general public a minimum of 20 days for consultations of the draft-acts\textsuperscript{202}. Part of the state institutions continued to invite and involve the public/CSOs to comment on laws and policy initiatives at an early stage and with sufficient time to formulate and provide opinion. There is a significant increase in respecting the deadlines for electronic consultations, and in general in the

\textsuperscript{190} The Constitution of the Republic of North Macedonia ("Official Gazette of the Republic of North Macedonia", no. 52/91)
\textsuperscript{191} Law on Government of the Republic of North Macedonia ("Official Gazette of the Republic of North Macedonia", no. 59/00, 12/03, 55/05, 37/06, 115/07, 19/08, 82/08, 10/10, 51/11, 15/13, 125/14 and 142/16)
\textsuperscript{192} Law on Organization and Operation of the State Administration Bodies ("Official Gazette of the Republic of North Macedonia", no. 58/00, 44/02, 82/08, 167/10, 51/11)
\textsuperscript{197} Article 71, Rules of Procedure of the Government of the Republic of North Macedonia
\textsuperscript{198} Rules of Procedure of the Government of the Republic of North Macedonia
continuous involvement in all key legislation by using different ways of consultations (working groups, e-consultations, wider consultations, Council, etc.).

Namely, according to the data gathered from the ENER monitoring for 2019, a total number of 228 laws that were drafted at the Government sessions were reviewed in the Parliament. Out of them 49.6% were published on ENER for public consultations and only for four (4) draft-laws the minimal deadline of 20 days for consultations was not respected.

However, the results from the survey show a slightly unenthusiastical image, that almost a third of the CSOs (26.38%) agree that CSOs are involved in early-stage of law preparation and creation of policies, then, 38.65% CSOs do not agree and 34.97% do not know.

Similarly, concerning the access to relevant information, just above one third (32.52%) of CSOs agree that they have access to relevant information before consultations, 30.67% CSOs do not agree, and 36.81% do not know. In terms of substantial consultation, 36.8% CSOs suggestions were considered (25.2% most of them were considered, 8.6% few were considered and 3.1% said all of our suggestions were considered). Then, 3.1% CSOs said their suggestions were not accepted.

In general, the cooperation between the Government and the civil society has been improving. According to the survey, last year 61.3% CSOs cooperated with state institutions (e.g. participation in policy creation, implementation of activities, etc.). Then, 22.1% CSOs cooperated more than five times, 2.8% CSOs cooperated about five times, and 10.4% CSOs cooperated only once. Then, 28.2% CSOs did not need to cooperate with state institutions, and 10.4% (17) tried but failed.

Throughout the year the CSOs were involved in the preparation of certain laws important for the operation of CSOs, including: Law on Fight Against Corruption, Law on Public Information, Law on Youth, Law on Free Legal Aid, Law on Public Procurement. The civil society was successful in its efforts to regulate the Anti-Discrimination Law and the Law on Termination of Pregnancy, after several years of advocacy.

According to the responses in the survey, which also mentions these legal acts, 48.5% of the CSOs were involved in the policy creation and law-making processes (e.g. laws, bylaws, national and local strategies, action plans, etc.). More precisely, the CSOs took part (provided opinion online, participated in working groups, had consultative meetings, expert support, etc.) in the preparation of around 38 laws. Also, the CSOs were involved and consulted in the preparation of 22 other policy and strategic documents.

However, the CSOs were not consulted on certain politically sensitive issues in 2019, such as the Draft-law on public prosecution and the Draft-law on public gatherings, Law for Use of languages.

The strengthening of the public servants’ capacities to involve CSOs, is corroborated by law (Law on Administrative Officers Law on Public Sector Employees), defining the competencies of MISA when preparing and adopting the annual Program for generic training of administrative officers. According to the Strategy, a specific training program is set to be developed for public servants to effectively organize public consultations.

According to the survey and in terms of the CSOs’ perception of the public servants’ capacity to involve CSOs in the consultation processes, 15.95% CSOs agree, 41.10% CSOs disagree that the designated public servants facilitated effective engagement of CSOs in the consultation processes and 42.94% do not know. Furthermore, 17.18% agree, while 39.88% do not agree that the majority of civil servants responsible for drafting documents have the necessary capacities to involve CSOs; 42.94% said they do not know. The overall mandate for monitoring the CSO’s involvement in the policy making process is given to the MISA, to prepare an annual report on the conducted consultations based on the inputs provided by the different institutions with the mandate to propose laws.

3.2.2. Public Access to information

Free access to information, freedom to access and transmit information is a basic freedom and right provided in the Constitution and operationalized with the Law on Free Access to Public Information. A new Law on Free Access to Public Information of the CSOs was prepared together with CSOs in a participatory manner, adopted in May 2019. Systematic changes included the creation of a new Agency to enable quicker and better access to information and increased transparency and accountability of the providers of information; yet, it is not functional. Political parties were added as the holders of public information. The new Law further prescribes a clear procedure to access public information, with defined limitations, and a shortened deadline (from 30 days to 20 days). In addition, sanctions for civil servants/units for breaching the legal requirements on access to public information are provided. Such sanctions are applied incase an official or a head of unit fails to appoint public officials to deal with free access to public information and/or fails to inform the public concerning their right to free access. Furthermore, several reasons listed in the Law, may be the reason for a 250 EUR sanction.

Most of the institutions publish some of the draft and/or adopted documents on their websites and/or on a centralized online platform. There is a centralized unified portal ENER where all draft laws subject to the consultation are published and where everyone can post comments and opinions. The ministries lack active publishing of information.

In practice, there are examples of CSOs that use the opportunity to access information, and the majority receive responses, mostly within the deadline and in a clear form. However, when it comes to providing reasons for refusals, the explanation is not provided to majority of them, nor is the procedure for filing a complaint.
According to the survey, just over a third 33.7% CSOs sent a request for access to public information in the past 12 months. Out of them, a total of 47.3% (26) CSOs received a response, 40% (22) CSOs said sometimes yes, sometimes no, 9.1% (five) CSOs did not get a response. Similarly, 40% (22) CSOs received the information within the legally prescribed deadline, 43.6% (24) CSOs sometimes yes, sometimes no, and 10.9% (six) CSOs did not receive within the deadline. When it comes to the clarity of the response, 36.4% (20) CSOs received a response in a clear format, 40% (22) sometimes yes, sometimes no, and 18.2% (10) CSOs said it was not in clear form. Regarding explanation for refusal, 40% (22) CSOs did not receive a clear explanation on the reasons for refusal of the request, 25.5% (14) CSOs did receive a clear explanation, 21.8% (12) CSOs sometimes yes and sometimes no. In terms of rejecting requests without explanation, 61.8% (34) said that that was not the case, 21.8% (12) CSOs said sometimes yes sometimes no, and 7.3% (four) CSOs were rejected without explanation. For 61.8% (34) CSOs after the request was rejected they were not advised to submit complaints, 9.1% (five) CSOs sometimes yes sometimes no, 16.4% (nine) CSOs have suggested this possibility.

3.2.3. CSOs’ Representation in Cross-Sector Bodies

The Code of Good Practices for the civil sector’s participation in the policy-making processes stipulates working groups established by the Government which would, inter alia, serve as an instrument of participation. However, there is no standardized mechanism for selection of representatives in cross-sector bodies. There are different legal acts that require establishment of Councils, committees, etc., which would oblige CSOs to be included in the mechanism.

The most relevant document is the Decision for Establishment of Cooperation and Development Council as the main mechanism for cooperation which was prepared with CSOs participation. According to the Decision, the representatives of CSOs are selected within the sector, through a transparent and open procedure, and are nominated to represent the areas they work on.

During 2019, the Unit for Cooperation with NGOs for the needs of the Council, published several open calls on replacement of representatives of CSOs. It abided by the entire procedure, publishing the final results with sufficient details. Also, there were numerous examples when different institutions (MLSP, MJ) invited interested organizations to join an established working group on Laws or other legal acts.

In 2019, a questional decision with no legal grounds in the Decision expanded the mandate of the
Council with one of the amendments in the Council’s Rulebook. The amendment stipulated an executory task for the Council on Government’s request – meaning, it could start a procedure for selecting CSO representatives working in various fields to take part in the working groups/bodies or events.

There are numerous cases when CSO representatives are invited in the decision-making bodies working on issues and policies which are relevant to the civil society. According to the survey, over a third 35.6% of CSOs took part in the work of a cross-sectoral bodies, including working groups (48), Council (5), commissions (4), coordinative bodies (4), inter-sectoral group (2), committee (1), advisory body (1), other (9), which were part of institutions such as MLSP, MH, ME, AYS, Agency for the Realization of the Rights of the Communities, MC, the Government, Parliament, Cabinet of Minister without portfolio, MISA, MESP, Ministry of Agriculture.

The majority (83%) of CSO representatives agree that they were able to freely express their critical views within the work of the cross-sectoral body, etc. In addition, the majority (69%) of CSO representatives agree they were able to access state bodies even when using alternative ways of advocacy for public promotion of their standpoint that might influence the work of the body.

Box 7: EU Guidelines assessment

Sub-area 3.2. Involvement in policy- and decision-making process

Result 3.1. The legal framework enables inclusion of CSOs in decision making processes. In practice, the cooperation between the Government and CSOs has improved, as well as the effectiveness of consultations. Namely, 82% of the total number of draft laws were consulted via ENER, and for 89% of those the minimal deadline of 20 days for consultations was respected. According to the survey, 61.3% CSOs cooperated with state institution in the past year. A total of 48.5% of the CSOs that replied to the survey were involved in the policy creation and law-making processes. However, there is a need for further improvement of the effectiveness in consultations. When it comes to having adequate access to information, just above a third (32.52%) of CSOs agree. In terms of substantial consultation, 3.8% say that CSOs suggestions were considered (25.2% most of them were considered, 8.6% small part were considered and 3.1% said all of our suggestions were considered).
Sub-area 3.3. Collaboration in Service Provision and Competition for State Contracts

3.3.1. CSO Engagement in Service Provision and Competition for State Contracts

Existing legislation allows CSOs to provide services in various areas including education, healthcare, social services and creates basic preconditions. The LAF\textsuperscript{230} enables associations and foundations to perform public authorization by transferring competences from a state institution, municipal bodies, Skopje municipalities, the City of Skopje and other public authorization bodies.

The three key laws in the area of service provisions were amended and improved in favor of associations and foundations. Firstly, the new Law on Public Procurement\textsuperscript{231} as the key law regulating the manner and procedures for providing contracts for public procurement aimed to improve shortcomings in the system of public procurement, and improved two key issues: besides the lowest price as the criterion for awarding tenders, other criteria were added and the e-auction became optional. Other measures related to increasing the transparency of the process were adopted.\textsuperscript{232} Secondly, the Law on Social Protection\textsuperscript{233}, according to which an association (but not foundation) may perform certain activities of social protection determined by this law and if registered to work in social care, was amended in a participatory manner. Thus, the changes included clear support and partnership with associations including in providing social service. Then, the Law on Free Legal Aid\textsuperscript{234} stipulates a possibility for the involvement of CSOs in providing pretrial legal aid. In 2019, a new law was adopted offering improved legal protection for citizens and introducing novelty and improvements in the process of funding the associations and the foundations which provide legal aid, by receiving grants from the Ministry of Justice\textsuperscript{235}. Finally, the Strategy recognized the importance and the potential of CSOs by setting measures for development of the models for cooperation with CSOs which provide services in health care, education and culture, which have no progress in their implementation yet\textsuperscript{236}.

There are cases of CSOs being awarded contracts for services in various areas in competition with other providers. According to the survey, 11 CSOs have received contracts for state service provision by the state. Also, the MLSP provided 151.5 million MKD (approx. 2.453,000 EUR) for support of CSOs in the field of social protection\textsuperscript{237} for different projects. Namely, three associations were selected\textsuperscript{238}: daily center for children in the street, psychological-social support of children at social risk, safe accommodation for victims of gender-based violence and early treatment of children with autism. Furthermore, the funds from games of chance and entertainment games (70 million MKD or approx. 1,133,000 EUR) support: the annual program of the Red Cross, National Council of Disability Organizations of Macedonia, national disability organizations and the national coordination body for equal rights of persons with disabilities, as well as support for associations that help victims of family violence. Other examples of CSOs engaged in service provision include: supporting people at social risk to obtain daily meal “Site siti” (cooperation between MLSP and social entrepreneurship initiatives),\textsuperscript{239} daily center for Down Syndrome\textsuperscript{240}, centers for victims of sexual violence\textsuperscript{241}, NGO Poraka Nova-day care centers for people with special needs. There are still very few examples of CSOs being involved in developing and evaluating services. However, when it comes to social and health services (HIV, tuberculosis, etc.) the MLSP and Ministry of Health have indeed worked with CSOs in developing the programs and support.

An important concept is the social entrepreneurship which is still in the introductory and institutionalizing stage. As part of the regulation it was increasingly used in 2019. The existing legal

\textsuperscript{230} Law on associations and foundations (“Official Gazette of the Republic of North Macedonia” no. 52/10, 135/11 and 55/16)
\textsuperscript{231} Law on associations and foundations (“Official Gazette of the Republic of North Macedonia” no. 52/10, 135/11 and 55/16)
\textsuperscript{233} Law on Social Protection (“Official Gazette of the Republic of North Macedonia”, no. 79/09, 36/11, 51/11, 166/12, 16/13, 70/13, 164/13, 187/13, 38/14, 44/14, 116/14, 180/14, 33/15, 72/15, 104/15, 173/15, 192/15, 30/16, 163/17 and 51/18).
\textsuperscript{234} Law on free legal aid (“Official Gazette of the Republic of North Macedonia”, no. 10/2019)
framework (LAF, the Law on Employment of persons with disabilities\textsuperscript{242}, the Law on Cooperatives\textsuperscript{243}) enables the entities to participate in the social economy, however, it does not provide appropriate support. Namely, the first social enterprises in the country date since around 2008, with CSOs leading the way\textsuperscript{244}. The process of drafting a Law on Social Entrepreneurship restarted and the final draft text was set to be finalized by June 2019\textsuperscript{245}, together with a Strategy for social entrepreneurship which should have been finalized by November 2019\textsuperscript{246}.

3.3.2. State Funding for CSO-Provided Services

The legal framework provides partial funding for basic social services provided by CSOs. The amount/percentage of allocation of funding for basic services is a separate process and depends on the subject matter. However, with the social and health services being the most developed, at least funds can be obtained from the budget planned for the following years and under the expenditure budget line intended for institutional programs.

CSOs do not receive sufficient funding to cover the basic costs of the services they are contracted to provide. According to the survey, 11 CSOs responded that their organization applied to provide public services, one CSO said the funding they received was sufficient to cover basic costs, six CSOs said it was not and four CSOs said that they did not know. The services are dominantly funded with foreign funds or other sources.

There are no significant legal barriers for CSOs to receive funding for the provision of public services. However, there must be a complete legal review of the possibilities and challenges CSOs are faced with when providing services. According to the Strategy\textsuperscript{247}, such review to be conducted by the Ministry of Health, Ministry of Culture, Ministry of Justice and the AYS, was planned for the last quarter of 2019, but it was not realized. Furthermore, MLSP is implementing a project in which they will work on preparing a coherent legal framework on modernization and decentralization of the social services\textsuperscript{248}.

Almost half (46%) CSOs do not know if CSOs in their area of work are excluded from the calls for proposals for provision of public services. 35% do not agree and 18.4% CSOs agree. The legal framework does not allow for long-term service contracts. Even though the same CSOs (e.g. in social service provision, health-related service provision) are supported each year, they have to go through the process of application and signing new contracts again.

3.3.3. Procedures for Contracting Services

There are certain transparency provisions for distribution of funds among service providers, but with minor issues that are not regulated. Few laws contain provisions for open competition (Law on Public


\textsuperscript{243} Law on cooperatives (“Official Gazette of the Republic of North Macedonia”, no. 54/00)


\textsuperscript{246} Ministry of Labor and Social Policy, Strategic documents [Internet] MLSP. Address: http://www.mtsp.gov.mk/dokumenti.nspx [Accessed on 20.02.2020]
procurement\textsuperscript{249}, Law on Free Legal Aid\textsuperscript{250}, Law on Social Protection\textsuperscript{251}, etc.). Price is not the lead criterion for the selection of service providers. With the new Law of Public Procurement, the existing criterion of the lowest price was replaced with the best value offer\textsuperscript{252}. However, the first seven months of the implementation of the new law confirm that institutions engage in old and ineffective practices (97\% of the tenders use the lowest price as a criterion)\textsuperscript{253}. The harshest criticism aimed at the criteria of the lowest price and electronic auction in the procurement were for the old Law: food for kindergartens and medical material for hospitals.\textsuperscript{254} 

There are guidelines on how to ensure transparency in the evaluation and selection of service providers and managing conflicts of interests. The Law on Public Procurement defines clear guidelines on how to ensure transparency and avoid conflicts of interest\textsuperscript{255}, as it provides that the commission signs statement of no conflict of interest. In case there is one, members of the Commission should resign and new public officials should be appointed. Furthermore, the Law on Public Procurement\textsuperscript{256} established a State Appeals Commission for Public Procurement with the mandate to decide upon appeals in public procurement, concession contracts and public-private partnerships. No appeals procedure is possible against the decision of the State Appeals Commission, but the process can be pursued further through the Administrative Court.

There are examples of CSOs receiving state contracts for provision of services in different areas. According to the survey, the 11 CSOs that obtained service provision contracts for 2019, worked in youth matters, support for marginalized people and people with special needs, science and education, economic development and employment, democracy, good governance and rule of law, culture and art.

Chart 17. Please select if you agree with the following statements regarding the participation of CSOs in providing services (%):

| Public officials have capacities to (e.g. knowledge, training) to implement the procedures for service delivery | 11.0 | 33.7 | 55.2 |
| The process of awarding state contract for service delivery is transparent and fair. | 9.2 | 28.2 | 62.6 |

Most of the CSOs respondents (62.6\%) do not know if the procedure is fair and transparent when it comes to awarding state contracts for service delivery, almost a third (28.2\%) do not agree, while for 9.2\% CSOs it is fair. More than half (55.2\%) of the CSOs do not know whether public officials have capacities to (e.g. knowledge, training) to implement the procedures for service delivery, while 33.7\% do not agree, and 11\% CSOs agree.

Recent CSO research established that the shortage on knowledge and skills among the officials is due to the changes in the new Law and the lack of internal investment in training and capacity\textsuperscript{257}.

3.3.4. Accountability, Monitoring and Evaluation of Service Provision

Different laws provide different processes of monitoring of the spending. According to the Law on Public Procurement\textsuperscript{258}, the control over the use and spending of public procurement funds is done by the State Audit Office. All institutions and users of the budget funds are subject to control by the State audit. According to the MLSP, as part of provisions in the Law on Social Protection\textsuperscript{259}, the Ministry executes oversight over the work of the CSOs that use funds from the Ministry. Various articles in

\textsuperscript{249} Law on Public Procurement ("Official Gazette of the Republic of North Macedonia", no. 24/2019)

\textsuperscript{250} Law on free legal aid ("Official Gazette of the Republic of North Macedonia", no. 101/2019)

\textsuperscript{251} Law on Social Protection ("Official Gazette of the Republic of North Macedonia", no. 104/19, 146/19 e 275/19)

\textsuperscript{252} Law on public procurement


\textsuperscript{254} State commission of the Republic of North Macedonia for public procurement complaints - http://reshenija.dbcn.gov.mk/

\textsuperscript{255} Law on public procurement

\textsuperscript{257} Ibid.


\textsuperscript{259} Law on public procurement

\textsuperscript{256} Law on Social Protection
the Law, provide details on how the process is organized. When it comes to monitoring quality standards, according to the Law on Social Protection\textsuperscript{260}, the monitoring procedure for the services provided by contractors is undertaken by the Institute for Social Affairs, which has different profiles of staff with various expertise to assess the quality standards (depending on which issue of social protection is being monitored).

There are very few examples of service providers being subject to excessive control. According to the survey, 11 CSOs applied to provide public services. Two of them said the state control of their work was excessive, four CSOs that that’s not the case, while five said they do not know. Then, four CSOs said that the control (on the spot check) of their work is done with prior notice by the public officials. Five CSOs said the criteria for accountability set up by the state during the service provision are clear, two CSOs said that that was not the case, and four did not know.

\textsuperscript{260} Ibid.
Conclusions and recommendations

Recommendation 1

The state institutions should ensure that the proposals of the new legislation are in line with international standards for freedom of association, assembly and expression. (this refers mainly to the problematic provisions within the Draft-Law on Lobbying and Draft-Law on Public Gatherings).

The basic freedoms of association, assembly and expression were legally guaranteed, and generally protected and enjoyed in practice by everyone. However, the potential threat to the principle of freedom of association by some of the provisions in the Draft-Law on Lobbying is still present, due to the unclear provisions on the definition of what lobbyist represents, and which activities are considered as lobbying. By this, the key principle of the LAF – participation in public life is at risk, according to which CSOs can freely express and promote their views and opinions on issues of their interest; start initiatives and participate in public opinion formation and policymaking. The failure to protect this principle, might e.g. prevent CSOs to engage with the Parliament and its work. When it comes to the Draft-Law on Public Gatherings, by the end of 2019, an extensively amended and restrictive version of the law was prepared (minimum of 50 people to hold an assembly, expanding the list of places where gatherings are restricted, prohibition for participants to cover their faces and head, and regulation of the time for holding an assembly from 6 to 23 h), without consultations. After reactions from the public and CSOs on social media, the Government withdrew the law.

Thus, there is a need for all of the state institutions to ensure that the proposals of the new legislation are in line with international standards for freedoms of association, assembly and expression. Namely, the Ministry of Justice established a working group on the Draft-Law on Lobbying, yet the possibility for a contribution towards the draft-text was mostly around technicalities, rather than substantial discussion concerning the problem being solved and its impact on the civil society. Thus, the Ministry should include a wider debate on the Draft-Law of Lobbying, and further investigate the problem that is trying to solve, and ensure that the principles of the freedom of association are protected and enjoyed. Furthermore, considering the regressive provisions proposed within the Draft-Law on Public Gatherings from the Ministry of Interior Affairs, and the lack of collaboration with civil society, this can be seen as an ongoing threat to freedom of assembly. Namely, the existing legislation on public gatherings is solid, and other than a few changes to further ensure the enjoyment of the right in line with international standards, it should remain as such.

Recommendation 2

The relevant state institutions should without delay comprehensively reform the state funding for CSO.

Few positive developments concerning the state funding for CSOs took place. Namely, for the first time, high-level efforts were dedicated to reforming the existing model of state funding. These efforts were clearly expressed by the then-Prime minister Zaev at a national conference organized by MCIC. This was also encouraged by the memorandum of understanding between the Government and FOSM to work on the public funding reform for CSOs, which later resulted in analysis and draft recommendations for the state funding model. During the year, certain state institutions that allocate funding have undertaken steps to improve different aspects of the procedure and to increase their transparency and accountability (increased number of open calls, availability of information concerning awarded projects to CSOs). Specifically, the General Secretariat of the Government for CSOs for 2019 introduced expert commission and oversight of two members of the CSO Council, for the funds they distribute to CSOs, as well as conducted a consultative process on funding priorities for 2020 with wider CSOs with the support of MCIC.

However, despite the expressed willingness of the Government, the reform of the system for state
funding for CSOs has progressed slowly. Namely, there was a delay in the preparations of the recommendations for a model and the consultations with civil society started in December instead of September. Thus, many of the ineffective parts of the existing system still maintained. The available data show a decrease in the total state funding amount planned for CSOs for 13% for 2019 compared to 2018. State funding is still almost a non-recognizable source of income for CSOs and is accessible only to a limited number of organizations. The income from games of chance and entertainment games has not increased yet and is shared among very few organizations. Then, funding from the General Secretariat of the Government for CSOs continues to cover numerous areas with insignificant amounts of funds. There was also no progress in terms of providing CSOs with institutional support. Still, there are no opportunities for multi-annual financing, nor is there co-financing for EU and other projects. These are the main aspects of the state funding reform that the Government should focus on in future.

There is a need, without delay, that the key Government fund allocating institutions finalize and adopt a comprehensive reform in a participatory manner, based on the analysis and recommendations that are already available. The reform should include increased amount of state funding for CSO (including the increased individual amount of grants). This can be done by ensuring available data that at least 1/3 of the total annual income of CSOs should come from state funding (within three years should reach 30 million EUR for wider CSOs). The Law on Associations and Foundations offers the grounds for the development of such provisions. In addition, this must come in a separate budget line for associations and foundations and not those for other non-profit entities. It is important that long-term funding and institutional support become available, as well as co-financing of activities supported by other donors. The funding should have an adequate geographical distribution. All of this should be regulated through a standardized procedure to increase transparency, effectiveness and accountability of the distribution of funds.

Recommendation 3

The Government should implement the standards of involvement of CSOs in lawmaking and policy creation process for all legislation and consistently across all state institutions. Participation should start at an early stage, with adequate access to information and time for a quality and substantial response, and provision of feedback.

The significant involvement of CSOs in public policy creation and law-making processes continued throughout 2019, via different forms of inclusion (electronic consultations, working groups, consultations, etc.). During the year, the CSOs were involved in the preparation of certain laws important for the operation of CSOs such as the: Law on the Fight Against Corruption, Law on Information from Public Character, Law on Youth, Law on Free Legal Aid and Law on Public Procurement. Civil society was successful in its advocacy efforts to bring along the adoption of the Anti-Discrimination Law and the Law on Termination of Pregnancy. The publishing of the deadlines for electronic consultations increased, and so did the abidance by them. Namely, 49.6% of the total number of draft laws were consulted via ENER, and for 96.4% of those, the minimal deadline of 20 days for consultations was respected. Within the consultative process, CSOs were still faced with significant shortcomings. There were cases of bypassing CSOs when it comes to issues such as rule of law and anti-corruption (Law on Public Prosecution, etc.). Still, the lack of adequate access to information and substantial consultation persists.

Thus, there is a need for a future upgrade of this positive trend of improved openness and appreciation for the involvement of CSOs, by making sure the standards apply for all legislation (e.g. even those that are considered politically sensitive Law on public procurement). Also, there is a need for a standardized application by all institutions, and not just for the few of them which stand out with their cooperation. Even though certain ministries are closer to their constituencies due to their nature of work (e.g. MLSP, AYS, etc.) there is still a need of ensuring that rules apply for all. The good practice of using ENER as a platform for electronic consultations and respecting the deadlines should be further supported and improved. Finally, the results from the survey clearly point out to the need to match this increase of cooperation with increased effectiveness of consultations in terms of the necessary preconditions that CSOs should provide quality input to the process, such as adequate information, quality and trust in knowing that their contributions to the process were taken into consideration.
Recommendation 4

The Council should dedicate most of its sessions to influence institutions to implement the priority areas for sectoral development as per the Strategy, and to start, without delay, direct communication and consultations with other CSOs. In addition, as a consultative body, the Council should reconsider the legality and effectiveness of adding a task to nominate civil society representatives in different bodies and events upon request from state institutions.

The Council for Cooperation with and Development of the Civil Society has continued to effectively function throughout the year, focusing on issues of importance to the civil sector. By holding a total of ten sessions, it exceeded the legally set minimum number of four sessions per year, for which the agenda and materials are publicly available upfront. Almost at each session, the Council has placed certain recommendations and/or requests for different institutions. All of those placed to the Unit for Cooperation with NGOs were accepted, together with others made to several other institutions and implemented promptly. Yet, one of the most important tasks concerning the broader reform of the state funding for CSOs, which was increase of the amount distributed from the Government Secretariat from approx. 194,000 to 971,700 EUR was not considered.

Certain challenges to the effectiveness of the Council were noted. Firstly, the Rules of Procedure of the Council were changed twice, including a disputable and legally ungrounded decision for the Council to add to its list of task the mandate for execution of requests from government bodies (such as a request for nominations of representatives of CSOs in bodies and events). Secondly, the Council fails to effectively consult with CSOs at large, as less than a third (26.4%) of the CSOs that responded to the survey were consulted for certain issues. Thirdly, the regular participation at the sessions of both the CSOs members and state institutions was a challenge, and when it comes to participation of other CSOs, outside of the Council, only two representatives of CSOs took part (one from the organizations members of the Council), and one independent expert. When it comes to regular CSOs members’ participation at the sessions of the Council, some representatives were not present at the sessions.

Thus, the Council should continue the good practice of sharing materials and information and organizing regular sessions. The Council should dedicate most of its sessions to influence institutions to implement the priority areas for the development of the sectors from the Strategy, as these are issues where the sector wants to see progress and engagement. Also, there is a need for direct communication and consultations with other CSOs. Some of the ideas provided by CSOs from the survey, on how the Council should engage with CSOs, is done through direct emails and phone communication, particularly with those outside Skopje, through workshops, info-bulletins, open sessions, social media, other communication tools, periodical meetings with CSOs on different topics, invitations extended to relevant CSOs at particular sessions for certain issues. Also, as a consultative body, the Council should reconsider the legality and effectiveness of adding a task to select and nominate civil society representatives in different bodies and events upon request from state institutions. Namely, since this task is not stipulated in the Decision for establishment of the Council, there is no legal base to add one. There is a need for building trust and cooperation with wider civil society organizations. Yet, it seems that this step takes away a large chunk of the power of participation from the CSOs and puts in the Council’s hands on how to decide on the process and to organize it.
Annexes

Monitoring matrix methodology

Operationalization and data collection

The Monitoring Matrix on Enabling Environment for Civil Society Development is a detailed theoretical framework based on international human rights and freedoms and regulatory practices of European countries and the EU. The framework is built around three core areas: Basic Legal Guarantees of Freedoms; Framework for CSOs’ Financial Viability and Sustainability; Government – CSO Relationship, each divided into sub-areas. The areas are elaborated by standards, which are further specified through legal and practice indicators.

The legal indicators are measured by coding the presence or absence of rules, costs, procedures and obligations enshrined in legal regulation (primary and secondary) and policy frameworks enacted in the respective countries. To assure standardization and comparability of the data gathering process regarding the practice indicators, country researchers follow a methodology plan in which each of the 80 indicators is further operationalized in concrete mandatory and additional data types (i.e. operationalized dimensions of a practice indicator) to be reported across the countries. The mandatory data types tap into the core building blocks of a practice indicator as described in the Monitoring Matrix Toolkit. They mandate the reporting of optimal information without which one could not be able to evaluate the respective indicator. The additional data (operationalized dimensions) specified for each practice indicator are reported if country researchers want to deepen and further illustrate specific practice indicators (e.g. via case study; see next section on country-specific notes on methodology).

The data gathering strategy for the practice indicators is tailored to match the mandatory data types specified in the methodology plan. For each indicator, there is clear guidance on the data gathering strategy (instruments and sources) which should be utilized by country researchers. The specified data-gathering instruments and sources follow an implicit hierarchy, in which publicly available factual data (e.g. official statistics) are the most important source of data for assessing practice indicators, followed by survey data from civil society organizations, which in turn are followed by relevant secondary sources (e.g. from CSOs reports, Ombudsman and media). Finally, at the end of the hierarchy are interview data, being a subjective type of data, which cover smaller groups of respondents.

The primary factual data and secondary data are gathered through desktop research. Following the data gathering strategy, country researchers utilize three core data gathering instruments: Freedom of Information requests (FoI), survey questionnaire and interview topic guides. The questions in the data gathering instruments are tailored to match the mandatory data types (operationalized dimensions) of each practice indicator. The Freedom of Information requests (FoI requests) is used by researchers when public information and statistics on the state of civil society and their environment (primary factual data) are not readily and publicly available. The researchers can draw from a detailed bank of FoI questions tailored to match the operationalized practice indicators.

The survey questionnaire collects information on civil society organizations’ experiences and perceptions of the key aspects of the enabling environment for civil society for the year 2019. The organizational survey includes 50 questions matching the mandatory data types (operationalized dimensions) on basic rights and freedoms, organizational and financial sustainability and civil society’s cooperation with the state. The questionnaire dominantly consists of closed questions, and fewer follow-up open questions which require the respondents to elaborate on their experience. The same questionnaire is implemented across all countries, and only the formulation of a few items is slightly adapted to the concrete country context to assure questions are understood by respondents. The survey is sent to lists of formal CSOs compiled and updated by country researchers based on
available registers or other alternative lists of active CSOs in the country (for more information see the section on country-specific notes on methodology). The data collected from the survey are confidential and used strictly on an anonymous basis. Individual responses are not connected to the organizations which answered the survey and reported only in an aggregate form.

The interview topic guides include questions which – similar to the survey questionnaire – match specified mandatory data types and are used in all countries. In addition to these core questions, researchers formulate additional questions that capture contextual developments in the country. The four topic guides are used in semi-structured interviews with the following groups of respondents: representatives of associations of journalists and media professionals; representatives of organizations of volunteers; representatives of the institution or mechanism for CSO cooperation and representatives of informal civil society groups (e.g. citizen initiatives, social movements and online initiatives).

Data analysis and interpretation

To analyze and interpret the data, country researchers use a unified data collection template which provides the indicators description (including the mandatory and additional data types for the practice indicators) and five category descriptions ranging from fully enabling to disabling environment provided under each indicator. The five category descriptions are specified for each legal and practice indicator in the Monitoring Matrix Toolkit, to enable researchers – based on the reported data – to choose one code (score) which most accurately summarizes the state of enabling environment concerning the respective indicator. In the first step, the researcher reports the required data types collected through different sources in the template box. For example, they report factual data from primary sources complemented with descriptive statistics or cross-tabulations based on survey data. In a second step, they choose one of five category descriptions specified for the respective indicator which best illustrates the reported data. The categories enable a unified comparison of findings on the level of indicators across all country reports.

Notes on methodology and country challenges

The report is mainly based on the analysis of secondary data sources. Existing legislation documents related to civil society, domestic reports and surveys of civil society organizations, international organizations and state administration bodies (SABs), international reports and surveys regarding North Macedonia and the Internet - portals and blogs were used.

The web questionnaire was sent directly through the electronic survey system on the 8th of January 2020 to the email addresses of more than 2800 associations and foundations registered in the CRNM. Responses were received from 163 civil society organizations.

In some graphs of the report where the responses are up to 10-30% of the entire sample, and their analysis is crucial to understanding the conditions in which civil society operates, absolute numbers are used instead of percentages.

Data collection for the preparation of the report on enabling environment from secondary and primary data sources was accompanied by some limitations. The e-questionnaire was used as the sole primary source of information. Identifying a representative sample of organizations in the country is challenging. Namely, the registry of associations and foundations is not consolidated, i.e. does not give a precise overview of active and inactive organizations. In addition, the web questionnaire was responded by a limited number of organizations registered in CRNM and by those that have access to the Internet. The CSOs did not substantiate all responses with appropriate examples and facts, which is understandable given the sensitive nature of some of the questions. Some of the examples given by the respondents in the open-ended questions do not always provide evidence to support the response to the closed-ended question. In these cases, the report states that the responses are given by the respondents’ understanding, which is an additional finding in terms of their knowledge of the existing legislation and its application in their work.

Regarding the provision of secondary sources of information, also the absence of publication of public documents and information by the public administration bodies continues to be a limitation.

Preparing Freedom of Information requests is not a straightforward task. There is a need for pre-
researching and understanding the way an institution might have information to share so that positive responses are provided. Thus, out of nine requests, we received seven responses from state institutions (three positive responses, and four negative responses). Two institutions never replied to the requests.

Furthermore, when it comes to using data from state institutions, two challenges were noted. Firstly, the Government has clearly shown dedication towards openness and publishing of information and preparing numerous policies that aim to affect positively the environment in which civil society operates. Even though this is positive, it has also led to more extensive data gathering and analysis. The second challenge was related to the usage of the open data from the Treasury. Even though this is a positive development in terms of gaining insight into the data from the Treasury and all the executed transactions, it has proven to be challenging to use it for more extensive analysis, in a sense that certain skills are needed, and then certain inconsistencies are met, and lack of explanations to properly interpret the data.
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Criminal Code (“Official Gazette of the Republic of North Macedonia” no. 37/96, 80/99, 4/02, 43/03, 19/04, 81/05, 60/06, 73/06, 7/08, 139/08, 114/09, 51/11, 135/11, 185/11, 142/12, 166/12, 55/2013, 82/13, 14/14, 27/14, 28/14, 41/14, 115/14, 132/14, 160/14, 199/14, 196/15 и 226/15, 97/17 and 248/18).


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Law on Associations and Foundations (“Official Gazette of the Republic of North Macedonia’ no. 52/10, 135/11 and 55/16)


Law on Broadcasting Activity (“Official Gazette of the Republic of North Macedonia”, no. 100/05, 19/07, 103/08, 152/08, 6/10, 145/10, 97/11, 13/12 and 72/13).

Law on Civil Liability for Insult and Defamation (“Official Gazette of the Republic of North Macedonia”, no. 143/12)

Law on Cooperatives (“Official Gazette of the Republic of North Macedonia”, no. 54/02).

Law on Criminal Procedure (“Official Gazette of the Republic of North Macedonia”, no. 150/10, 100/12, 142/16, 193/16 and 198/18).

Law on Culture (“Official Gazette of the Republic of North Macedonia”, no. 31/98; 49/03; 82/05; 24/07; 116/10; 47/11; 51/11; 136/12; 23/13; 187/13; 44/14; 61/15; 154/15; 39/16 and 11/18).
Law on Culture ("Official Gazette of the Republic of North Macedonia", no. 31/98; 49/03; 82/05; 24/07; 116/10; 47/11; 51/11; 136/12; 23/13; 187/13; 44/14; 61/15; 154/15; 39/16 and 11/18).


Law on Environment ("Official Gazette of the Republic of North Macedonia", no. 53/05; 81/05; 24/07; 159/08; 83/09; 48/10; 124/10; 51/11; 123/12; 93/13; 187/13; 42/14; 44/15; 129/15; 192/15; 39/16 and 99/18).


Law on Government of the Republic of North Macedonia ("Official Gazette of the Republic of North Macedonia", no. 59/00, 12/03, 55/05, 37/06, 115/07, 19/08, 82/08, 10/10, 51/11, 15/13, 139/14 и 196/15, 142/16 and 140/18).


Law on Media ("Official Gazette of the Republic of North Macedonia", no. 184/13, 13/14);

Law on Organization and Operation of the State Administration Bodies ("Official Gazette of the Republic of North Macedonia", no. 58/00, 44/02, 82/08, 167/10, 51/11).


Law on Police ("Official Gazette of the Republic of North Macedonia" no. 114/06, 6/09, 145/12, 41/14, 33/15, 31/16, 106/16, 120/2016, 21/18 и 64/18).

Law on Prevention and Protection against Discrimination ("Official Gazette of the Republic of North
Macedonia”, no. 101/2019).


Law on Public Assemblies (“Official Gazette of the Republic of North Macedonia”, no. 55/95, 19/06, 119/06, 66/07, 152/15)


Law on Referendum and Other Forms of Direct Vote of the Citizens (“Official Gazette of the Republic of North Macedonia”, no. 81/05).

Law on Social Protection (“Official Gazette of the Republic of North Macedonia”, no. 104/19, 146/19 and 275/19)


Law on Volunteering (“Official Gazette of the Republic of North Macedonia”, no. 85/07, 161/08, 147/15)

Law on youth (“Official Gazette of the Republic of North Macedonia”, no. 10/2020)

Law Amending the Law on Value Added Tax (“Official Gazette of the Republic of North Macedonia” no. 275/19)


Program for financing the program activities of the national disability organizations, their societies and their association, associations fighting domestic violence and the Red Cross of the Republic of North Macedonia from revenues from game of chance and entertainment games in 2019 (“Official Gazette of the Republic of North Macedonia”, no. 26/19).


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Rulebook for the methods of implementation of VAT exemption for goods and services intended for project implementation funded on a contractual basis for donation, concluded between the Republic Macedonia and foreign donors, if the agreement provides that taxes are not paid with the received funds (Official Gazette of the Republic of North Macedonia No. 98/14)


Unit for Cooperation with NGOs in the General Secretariat in the Government of the Republic of North Macedonia (2019) Report from the participation of the Council for Cooperation with and Development of the Civil Society in the work of the commission for allocation of funds intended to finance the program activities of foundations and organizations from the budget of Republic of North Macedonia for 2019 as observers [Internet] Skopje, Unit for Cooperation with NGOs. Address: https://www.nvosorobota.gov.mk/sites/default/files/1.%D0%98%D0%97%D0%92%D0%95%D0%A8

Unit for Cooperation with NGOs in the General Secretariat in the Government of the Republic of North Macedonia (2019) Report from the participation of the Council for Cooperation with and Development of the Civil Society in the work of the commission for allocation of funds intended to finance the program activities of foundations and organizations from the budget of Republic of North Macedonia for 2019 as observers [Internet] Skopje, Unit for Cooperation with NGOs. Address: https://www.nvosorobota.gov.mk/sites/default/files/1.%D0%98%D0%97%D0%92%D0%95%D0%A8

Unit for Cooperation with NGOs in the General Secretariat in the Government of the Republic of North Macedonia (2019) Report from the participation of the Council for Cooperation with and Development of the Civil Society in the work of the commission for allocation of funds intended to finance the program activities of foundations and organizations from the budget of Republic of North Macedonia for 2019 as observers [Internet] Skopje, Unit for Cooperation with NGOs. Address: https://www.nvosorobota.gov.mk/sites/default/files/1.%D0%98%D0%97%D0%92%D0%95%D0%A8

Unit for Cooperation with NGOs in the General Secretariat in the Government of the Republic of North Macedonia (2019) Report from the participation of the Council for Cooperation with and Development of the Civil Society in the work of the commission for allocation of funds intended to finance the program activities of foundations and organizations from the budget of Republic of North Macedonia for 2019 as observers [Internet] Skopje, Unit for Cooperation with NGOs. Address: https://www.nvosorobota.gov.mk/sites/default/files/1.%D0%98%D0%97%D0%92%D0%95%D0%A8


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Platform of CSOs for fight against corruption (2019) Reaction of the Platform to the adoption of the new law on public prosecution. Skopje, IDSCS. [Internet] Address: https://idscs.org.mk/mk/2019/03/20/%D1%80%D0%B5%D0%B0%D0%BA%D1%86%D0%B8%D1%98%D0%B0-%D0%BF%D0%BE-%D0%BF%D0%BE%D0%B2%D0%BE%D0%B4-%D1%83%D1%81%D0%B2%D0%BE%D1%98%D1%83%D0%B2%D0%B0%D1%9A%D0%B5-%D0%BD%D0%B0-%D0%BD%D0%BE%D0%B2%D0%B8%D0%BE/ [Accessed on 20.02.2020]


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List of CSOs respondents

1. Ecological Society Zdravec 2002
2. Association for protection of the environment, cultural and historical heritage and human health IZVOR – Kratovo
3. Center for Intercultural Dialogue
4. Humanitarian Association for help and "support of people with special needs "Bravura Cooperativa
5. Balkan Civil Society Development Network
6. Association "Center for Sustainable Community Development" Debar
7. Association for Local and Rural Development
8. PUBLIC – Association for Research, Communications and Development
9. Red Cross of the Republic of Macedonia - Red Cross of the City of Skopje
10. Association for Rural Development PRESPA LOCAL ACTION GROUP Resen
11. Association for culture and development of creative industries KULT TRANZEN
12. Inter-Municipal Association of Persons with Physical Disabilities in the Municipalities of Veles, Gradsko and Caska MOBILITY Veles
13. Coalition of youth organizations SEGA
14. Organization of Roma Youth “Bela Kula” – Kicevo
15. Center for Citizen Information and Logistical Support NEW CONTACT, Skopje
16. Association Folk Group Kopachka, Dramche, Drachevo
17. MAQS - Macedonian Association for Quality Language Services
18. Civil Center for Sustainable Development – EGRI
19. Citizens Association for Motivation and Communication Development - Dialogue, Skopje
20. Organization of women of Pehchevo
21. Association Roma organization of women from Macedonia DAJA Kumanovo
22. Association Nadez - Hope from Makedonska Kamenica
23. Association for Counseling, Training and Protection of Environment
24. Institute for Development of Electronic Communications INDECOM – Skopje
25. Cultural Cooperation Organization INTERCULTURE
26. Foundation Open Society – Macedonia
27. Association Center for Civic Initiative Prilep
28. Association HÜRUS Skopje
29. AC "BIULK JEKIME" (https://civicamobilitas.mk/user/pote/)
30. Association Movement for Sustainable Socio-Economic Development Doser Global Bitola
31. National Association of Private Forest Owners
32. Defense for Children’s Rights
33. ITI - Macedonian Center of International Theatre Institute
34. Association Ekokrater Kratovo
35. Institute of Social Sciences and Humanities Skopje
36. Roma Community Center “DROM” Kumanovo
37. Institute of Communication Studies
38. Association for Perspective integration and development ROMA PERSPECTIVE Prilep
39. Association for Media Literacy Planet-M Skopje
40. Eco-Life Kavadarci
41. National Sport Leaders Network Kavadarci
42. Culture and Social Welfare Association “ Civil Future “ Bitola
43. Women’s Organization of the Municipality of Veles
44. Association of Citizens of Russian compatriots in the Republic of Macedonia - "MR Most”
45. Union of Ecologists NATYRA
46. Center for Sustainability and Advanced Education
47. Center for the Development of Society Millennium
48. Association of Citizens EKOVITA
49. Foundation for Sustainable Economic Development PREDA plus
50. The Council for the Prevention of Juvenile Delinquency - SPPMD Institute
51. Red Cross of the Republic of Macedonia - Municipal organization of Karposh - Skopje
52. Association for Equal Opportunities and Interethic Cooperation AL-MA, Skopje
53. First Children's Embassy in the World Megjashi – Republic of Macedonia
54. Association of citizens “Nexus – Civil Concept”, Skopje
55. Lifelong Learning Center (LLC), Skopje
56. Association COSMOPOLITAN - Center for Education, Culture and Sport
57. International Association for Exchange of Students for Technical Experience
58. Regional geography society GEOSFERA – Bitola
59. Children Embassy for All Children in the World
60. Association of Pensioners Nadez, Centar Skopje
61. Agribusiness Innovation Foundation - Bitola
62. Regional Development Agency Kriva Palanka
63. Association of Pedagogues and Psychologists Veles
64. Association of Music Youth of Macedonia
65. Macedonian Young Lawyers Association
66. Macedonian Institute for Media
67. International Police Association IPA
68. Association for research, analysis and development ZELENA LUPA Skopje
69. Scout Association of Macedonia, Skopje
70. CULTURAL RESEARCH-DOCUMENTATION CENTER “KALESH ANGJA”, s. Krushevica, Prilep, Republic of Macedonia
71. European Policy Institute EPI – Skopje
72. Coalition of civil associations All for Fair Trials
73. Alliance of Microfinance Organizations
74. Humanitarian Organization "Aid for Handicapped and the Poor"-Prilep
75. Association for Promotion of Equal Opportunities for All - WORLD FOR ALL Skopje
76. Center for Change Management
77. Local Community Development Foundation – Stip
78. Association Women’s Forum Tetovo
79. Association of Citizens Nov Most – Prilep
80. Association for Promotion and Protection of Workers’ Rights (Dignified Worker) Dostoinstven Rabotnik - Prilep
81. Humanitarian and Voluntary Association of the Roma Intelligentsia- "Prosperity
82. First Scout Unit of Skopje, Macedonia
83. Food for all –BHM / Food Bank Macedonia
84. Association of People with Physical Disabilities from Ohrid and Debarca MOBILITY Ohrid
85. Association of Organic Food Producers Organo-Logistic Strumica
86. Association HOPS – Options for healthy life Skopje
87. National Roma Centrum
88. Organisation of Women Sveti Nikole
89. Association Initiative for Social change – InSoC, Skopje
90. Association Mountaineers "Argentus mount"-Tetovo
91. Development Association of the Roma community Sumnal
92. Association for Equal Rights and Opportunities "Women in the Economy" Stip
93. Polio Plus – Movement against Disability P+
94. Association “Trust”- Kumanovo
95. iVote Foundation
96. Cultural Association Cyril and Methodius – Ilovica
97. Forum - Center for strategic research and documentation, Skopje
98. Mental health association Association Misla – Skopje
99. Education and Cultural Center NANA
100. Milieukontakt Macedonia
101. Analytica Skopje
102. ARETE - Association for Sustainable Prosperity
103. Association for Equal Opportunities Stella Network Skopje
104. Association for Rural Development LOCAL ACTION GROUP AGRO LEADER Krivogashtani
105. Association of Journalists of Macedonia
106. Bringing Europeans Together Association Macedonia, BETA Macedonia
107. Nongovernmental Organization “KHAM” – Delchevo
108. Center for Culture, Communication and Education of Roma "Bright Future" Kocani
109. National centre for development of innovations and entrepreneurial learning (NCDIEL)
110. HERA – Health Education and Research Association
<table>
<thead>
<tr>
<th>No.</th>
<th>Organization Name</th>
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<tbody>
<tr>
<td>111</td>
<td>Association ECO JUSTICE – Valandovo</td>
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<td>112</td>
<td>Hunting association DRENI</td>
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<td>113</td>
<td>Association of Young Analysts and Researchers ZMAI Skopje</td>
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<td>114</td>
<td>Roma Women and Youth Association &quot;LULUDI&quot; Skopje</td>
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<td>115</td>
<td>National Alliance for Rare Diseases of R. Macedonia Skopje</td>
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<td>116</td>
<td>Association for Education, Emancipation and Realization of Women's Rights &quot;BE BRAVE&quot; – Skopje</td>
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<tr>
<td>117</td>
<td>Association of Beekeepers &quot;Bee&quot; - Kriva Palanka</td>
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<td>118</td>
<td>Impact Net Foundation Veles</td>
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<tr>
<td>119</td>
<td>Association of citizens “Third Age University” – Skopje</td>
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<tr>
<td>120</td>
<td>Economic Research &amp; Policy Institute “Finance Think” – Skopje</td>
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<tr>
<td>121</td>
<td>Association of society development”GALEBI 2001“ Chashka</td>
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<tr>
<td>122</td>
<td>Association for Advance of Social Policies, Education, Culture and Art - Dominium Cultural Core, Skopje</td>
</tr>
<tr>
<td>123</td>
<td>Association for Development and Economic Cooperation ADEC</td>
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<tr>
<td>124</td>
<td>Photo Club “Piksel” – Kicevo</td>
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<tr>
<td>125</td>
<td>Association of special educators and rehabilitators of the Republic of North Macedonia</td>
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<tr>
<td>126</td>
<td>Leaders for Education, Activism and Development</td>
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<td>127</td>
<td>Sexual and Gender Minorities Association SUBVERSIVE FRONT Skopje</td>
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<tr>
<td>128</td>
<td>Association for Assistive Technology Open the Windows</td>
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<td>129</td>
<td>Association for human housing Habitat for Humanity Macedonia</td>
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<td>130</td>
<td>Council of Media Ethics of Macedonia CMEM</td>
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<td>131</td>
<td>Youth Educational Forum</td>
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<td>132</td>
<td>Association of Business Women</td>
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<td>133</td>
<td>Action for Rural Development</td>
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<td>134</td>
<td>Cultural Association OTHELLO Gostivar</td>
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<td>135</td>
<td>Union of Turkish NGOs in the Republic of Macedonia Northern Macedonia – MATUSITEB</td>
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<td>136</td>
<td>Transparency Macedonia</td>
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<td>137</td>
<td>Youth Cultural Center – Bitola</td>
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<td>138</td>
<td>Association One Can!</td>
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<tr>
<td>139</td>
<td>Foundation for Development of Small and Medium Entrepreneurship – Skopje</td>
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<tr>
<td>140</td>
<td>Association of Roma “AVENA” - Kocani Macedonia</td>
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<tr>
<td>141</td>
<td>Association for social innovations and sustainable development RADAR, Skopje</td>
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<td>142</td>
<td>Institute for Democracy „Societas Civilis“- Skopje</td>
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<td>143</td>
<td>Association Izbor Strumica</td>
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<td>144</td>
<td>Geo-SEE Institute</td>
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<td>145</td>
<td>Macedonian Montessori Association - Association for Modernization and Development of Education and Education of Children and Young People and Their Families</td>
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<td>146</td>
<td>Association Step to Europe</td>
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<td>147</td>
<td>Association Terno Vas Berovo</td>
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<td>148</td>
<td>Association for protection of civil rights No Pasaran Skopje</td>
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<tr>
<td>149</td>
<td>Association SIRMA, Kumanovo</td>
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<td>150</td>
<td>Association for Cerebral Paralysis from Tetovo</td>
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<td>151</td>
<td>Healthgrouper Summit</td>
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<td>152</td>
<td>Association of multiethnic society for human rights – Stip</td>
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<td>153</td>
<td>Association Connect Skopje</td>
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<td>154</td>
<td>Helsinki Committee for Human Rights of the Republic of Macedonia</td>
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<td>155</td>
<td>Lokomotiva civil organization - Centre for New Initiatives in Arts and Culture</td>
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<tr>
<td>156</td>
<td>Association for the Importance of Environmental Education for Modernization of the Education Process ZEOOOP Skopje</td>
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<tr>
<td>157</td>
<td>Balkania – Balkan Association for Alternative Tourism</td>
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<tr>
<td>158</td>
<td>Foundation for local development and democracy &quot;Focus&quot; Veles</td>
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<tr>
<td>159</td>
<td>Internet Hotline Provider Macedonia</td>
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<td>160</td>
<td>Volunteer fire department Sveti Nikole</td>
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<td>161</td>
<td>Association AMBROSIA</td>
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<tr>
<td>162</td>
<td>Reactor Research in Action</td>
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<td>163</td>
<td>NGO Ethno center - BALKANICA</td>
</tr>
</tbody>
</table>
List of institutions that provided responses to the requests for access to public information

On the 15th of January 2020, MCIC sent a total number of nine (9) requests to nine (9) state institutions for access to information of public character. We have received timely response (within 20 days) from four (4) institutions (three were positive, and one rejection).

<table>
<thead>
<tr>
<th>State institution</th>
<th>Status-Response received</th>
</tr>
</thead>
<tbody>
<tr>
<td>General secretariat of the Government</td>
<td>20.1.2020</td>
</tr>
<tr>
<td>Ministry of interior affairs</td>
<td>28.1.2020</td>
</tr>
<tr>
<td>Ministry of education and science</td>
<td>31.1.2020</td>
</tr>
<tr>
<td>Public revenue office (PRO)</td>
<td>No response</td>
</tr>
<tr>
<td>Financial police</td>
<td>No response</td>
</tr>
<tr>
<td>Central registry of the Republic of North Macedonia (CRNM)</td>
<td>No response</td>
</tr>
<tr>
<td>Ministry of justice</td>
<td>23.1.2020</td>
</tr>
<tr>
<td>Employment service agency</td>
<td>No response</td>
</tr>
<tr>
<td>The Ombudsman</td>
<td></td>
</tr>
</tbody>
</table>

On the 4th of February 2020, we sent a reminder to five (5) institutions, that did not respond to our request. Subsequently we received three (3) negative responses.

<table>
<thead>
<tr>
<th>State institution</th>
<th>Status-Response</th>
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<tbody>
<tr>
<td>The Ombudsman</td>
<td>19.2.2020</td>
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<tr>
<td>CRNM</td>
<td>19.2.2020</td>
</tr>
<tr>
<td>Employment Agency</td>
<td>4.2.2020</td>
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<tr>
<td>Financial Police</td>
<td>No response</td>
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<tr>
<td>PRO</td>
<td>No response</td>
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</tbody>
</table>

Thus, out of nine requests, we received seven responses from state institutions (three positive responses from the General secretariat of the Government, the ministry of interior affairs and the Ministry of education and science), and four negative responses from Ministry of justice, CRNM, The Ombudsman and the Employment service agency). Two institutions never replied to the requests (Financial police and PRO).
## Year of establishment

<table>
<thead>
<tr>
<th>Year of Establishment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1990</td>
<td>7.4%</td>
</tr>
<tr>
<td>1991-2000</td>
<td>20.2%</td>
</tr>
<tr>
<td>2001-2005</td>
<td>22.7%</td>
</tr>
<tr>
<td>2006-2010</td>
<td>18.4%</td>
</tr>
<tr>
<td>2011-2019</td>
<td>31.3%</td>
</tr>
</tbody>
</table>

## Year of registration

<table>
<thead>
<tr>
<th>Year of Registration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1990</td>
<td>4.9%</td>
</tr>
<tr>
<td>1991-2000</td>
<td>21.5%</td>
</tr>
<tr>
<td>2001-2005</td>
<td>22.1%</td>
</tr>
<tr>
<td>2006-2010</td>
<td>20.2%</td>
</tr>
<tr>
<td>2011-2019</td>
<td>31.3%</td>
</tr>
</tbody>
</table>

## Type

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Association</td>
<td>88.3%</td>
</tr>
<tr>
<td>Foundation</td>
<td>5.5%</td>
</tr>
<tr>
<td>Alliance</td>
<td>3.1%</td>
</tr>
<tr>
<td>Other</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

## Employees

<table>
<thead>
<tr>
<th>Employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>39.3%</td>
</tr>
<tr>
<td>1</td>
<td>9.8%</td>
</tr>
<tr>
<td>2-5</td>
<td>28.2%</td>
</tr>
<tr>
<td>6-10</td>
<td>11.7%</td>
</tr>
<tr>
<td>11-20</td>
<td>8.0%</td>
</tr>
<tr>
<td>21-50</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

## External employees

<table>
<thead>
<tr>
<th>External employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>22.7%</td>
</tr>
<tr>
<td>1</td>
<td>6.1%</td>
</tr>
<tr>
<td>2-5</td>
<td>42.6%</td>
</tr>
<tr>
<td>6-10</td>
<td>9.8%</td>
</tr>
<tr>
<td>11-20</td>
<td>12.3%</td>
</tr>
<tr>
<td>21-50</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

## Volunteers

<table>
<thead>
<tr>
<th>Volunteers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No volunteers</td>
<td>19.0%</td>
</tr>
<tr>
<td>1-5</td>
<td>31.9%</td>
</tr>
<tr>
<td>6-10</td>
<td>19.6%</td>
</tr>
<tr>
<td>11-20</td>
<td>13.5%</td>
</tr>
<tr>
<td>21-30</td>
<td>7.4%</td>
</tr>
<tr>
<td>31-40</td>
<td>1.8%</td>
</tr>
<tr>
<td>41-80</td>
<td>4.3%</td>
</tr>
<tr>
<td>Over 81</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

## Region of operation

<table>
<thead>
<tr>
<th>Region of operation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local level</td>
<td>21.5%</td>
</tr>
<tr>
<td>National level</td>
<td>36.8%</td>
</tr>
<tr>
<td>Regional level (within national borders)</td>
<td>24.5%</td>
</tr>
<tr>
<td>Regional level (Balkans peninsula)</td>
<td>7.4%</td>
</tr>
<tr>
<td>International level</td>
<td>9.8%</td>
</tr>
</tbody>
</table>

## Area of work

<table>
<thead>
<tr>
<th>Area of work</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democracy, good governance and the rule of law</td>
<td>10.4%</td>
</tr>
<tr>
<td>Economic Development and Employment</td>
<td>8%</td>
</tr>
<tr>
<td>Environment and sustainability</td>
<td>9.8%</td>
</tr>
<tr>
<td>Health care and policies</td>
<td>2.5%</td>
</tr>
<tr>
<td>Agriculture and Rural Development</td>
<td>5.5%</td>
</tr>
<tr>
<td>Culture and art</td>
<td>6.7%</td>
</tr>
<tr>
<td>Interethnic relations, minority rights and social inclusion</td>
<td>4.9%</td>
</tr>
<tr>
<td>Category</td>
<td>Percentage</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Media and Information Society</td>
<td>3.1%</td>
</tr>
<tr>
<td>Migration and asylum policies</td>
<td>0.6%</td>
</tr>
<tr>
<td>Youth</td>
<td>6.1%</td>
</tr>
<tr>
<td>Science, education and lifelong learning</td>
<td>7.4%</td>
</tr>
<tr>
<td>Empowering women, gender equality and LGBT rights</td>
<td>6.1%</td>
</tr>
<tr>
<td>Support for marginalized people and people with disabilities</td>
<td>4.3%</td>
</tr>
<tr>
<td>Development of civil society and volunteering</td>
<td>4.9%</td>
</tr>
<tr>
<td>Social protection and children’s rights</td>
<td>3.7%</td>
</tr>
<tr>
<td>Sport and Recreation</td>
<td>0.6%</td>
</tr>
<tr>
<td>Student organizations</td>
<td>0.6%</td>
</tr>
<tr>
<td>Humanitarian aid</td>
<td>1.2%</td>
</tr>
<tr>
<td>Human rights and anti-discrimination</td>
<td>4.9%</td>
</tr>
<tr>
<td>Other</td>
<td>8.6%</td>
</tr>
<tr>
<td>Location</td>
<td></td>
</tr>
<tr>
<td>Skopje</td>
<td>54.0%</td>
</tr>
<tr>
<td>Outside Skopje</td>
<td>46.0%</td>
</tr>
<tr>
<td>Annual revenue for 2019 in EUR</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>9.8%</td>
</tr>
<tr>
<td>Less than EUR 5,000</td>
<td>18.4%</td>
</tr>
<tr>
<td>EUR 5,001-10,000</td>
<td>14.1%</td>
</tr>
<tr>
<td>EUR 10,001-50,000</td>
<td>22.7%</td>
</tr>
<tr>
<td>EUR 50,001-100,000</td>
<td>10.4%</td>
</tr>
<tr>
<td>EUR 100,001-500,000</td>
<td>18.4%</td>
</tr>
<tr>
<td>EUR 500,001-1,000,000</td>
<td>4.9%</td>
</tr>
<tr>
<td>More than EUR 1,000,000</td>
<td>1.2%</td>
</tr>
</tbody>
</table>