

The Republic of Macedonia GOVERNMENT OF THE REPUBLIC OF MACEDONIA General Secretariat

STRATEGY FOR COOPERATION OF THE GOVERNMENT WITH THE CIVIL SECTOR

accompanied by an Action Plan for Implementation (2007-2011)

Skopje, January 2007

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I. INTRODUCTION

The development of the civil sector is of key importance for the fundamental, democratic and pluralistic values of any country, as well as for the encouragement of its citizens' awareness for wider social engagement. At the same time, it reaffirms the constitutionally guaranteed human rights of freedom of association for exercising and protecting a myriad of rights and beliefs and the freedom of speech, articulated through the principles of participative democracy. In addition, through their activities citizens contribute to a more holistic social development and to an improved standard and way of life.

Such a contribution on behalf of the civil sector in promoting and building a democratic, cultural and social cohesion on all social levels implies the need for its cooperation with the Government of the Republic of Macedonia. Their mutual action can significantly contribute to the development of numerous spheres of society in order to efficiently address the challenges and the current problems in the country. On the other hand, the civil organizations, as an integral part of the social system, are a form through which citizens' initiatives are expressed and which enables citizens to actively participate in all social matters. In parallel with this, as additional benefits from further development of civil society organizations, are the stimulation of social cohesion¹ and creation of a sustainable social capital.² Civil society organizations also possess a high economic potential expressed through their role as employers, i.e. to involve the economically active population in their activities and thus help reduce the problems related to unemployment.³ Consequently, it is in the interests of the Republic of Macedonia to support the development of the civil sector in drafting policies as a counterweight and guide into the democracy and the democratic values, meanwhile acting as a constructive complementary actor in all social areas defined as in-need-of-intervention.

Being aware of the importance of the democratic standards, the efficiency and competence of civil society organizations, the Government is adopting this Strategy for Cooperation with the Civil Sector. The Strategy incorporates the grounds for its cooperation with civil society organizations, and by enacting this document the Government obliges itself to systematically strengthen the basic conditions for a faster and more efficient development of this sector. The Strategy nurtures the mutual trust, partnership and transparency in communication, and at the same time it maintains the principle of independence of the civil sector from the State.

Finally, this document is being drafted in order to ensure a specific institutional responsibility for the future provision of full and high-quality relationships between the

¹ "Social cohesion" is envisaged as the eligibility of society to enable overall progress to all segments and entities.

² "Social capital" signifies benefits to individuals and the entire society, resulting from mutual relationship and communication.

³ The findings of the survey carried out in 35 countries show an average of 4.4% participation of the economically active population by the civil service organizations, meaning that every twentieth work eligible individual is employed in the civil service. Source: 'Global Civil Society: An Overview', Lester M. Salamon, the John Hopkins Comparative Non-profit Sector Project, 2003 (www.jhu.edu/~ccss).

State and the civil sector in order to contribute to the overall future progress of Macedonia's society.

1. General aims of the Strategy

The primary aim of the Strategy is to promote the cooperation of the Government and the relevant ministries with the civil sector. The Strategy should serve as an overall guidance framework for a conceived national policy of cooperation and support to the civil sector, reflecting the priorities, principles and proposed methods. Thus, the Strategy, dependent on the context of interested parties and environmental needs, enables prospects for defining specific policies, priorities and modalities.

The Strategy offers and provides a framework, mechanisms and policies that would contribute to the following:

- Strengthening and promotion of the cooperation of the Government and citizen associations and foundations;
- Enabling the state administration, through specific guidelines to recognize the role of the civil sector and to develop a mutual partnership;
- Enable greater citizen engagement and, via their associations and foundations, influence the institutional decision making on a central level, and policy drafting by integrating their experiences into the decision-making process;
- Improvement of the conditions for further strengthening and development of citizen associations and foundations by creating a favourable normative and systematic and institutional environment⁴;
- Improve systematic conditions for provision of sustainable development⁵ of the civil sector;
- Create normative and institutional provisions for the implementation of the standards of the European Union for this area;
- Improvement of the public information access;
- Consideration for the level of development of the civil sector in the Republic of Macedonia, as well as the policies, the international documents and strategies, the comparative experiences as well as the best practices from the European countries in defining domestic priorities.

Advancing the cooperation between the Government and the civil sector by engaging in a partnership relation reflects the appreciation for the supreme values and potentials of the civil sector and places emphasis on their significant inputs in mutual efforts to satisfy

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⁴ Meaning "Enabling environment".

⁵ Sustainable development of the civil (NGO) sector is normally conceived as the capacity of civil society organizations to restructure and to adapt according to the social needs, to address public priorities and to attract necessary resources for the implementation of such objectives. Also sustainable development is considered in a more specific context, as a concept emphasizing the balance between the inter-generation transfer and the protection of resources that are non-renewable as well as the heterogeneity of the loosely defined principles addressing the responsibility and the accountability of policy-makers. (Oxford Dictionary of Politics 2003)

citizens' interests and needs. The Strategy for cooperation is a necessary step, stated in the Action Plan for European Partnership, whose adoption and enactment is expected to contribute to increasing transparency in administration authority operations and simultaneously enable corrective and constructive input by citizens into the public administration.

2. Normative framework of activities

The provisions defined in the Strategy are rooted in and promoted on the basis of the provisions stated in the following documents:

- Universal Declaration of Human Rights;
- International Charter of Civil and Political Rights;
- European Convention on Human Rights and its Protocols;
- The Constitution of the Republic of Macedonia;
- The Law on Citizen Associations and Foundations;
- Other positive legislation addressing the civil sector.

3. Timeframe for Implementation of the Strategy

This Strategy is a *mid-term* one, meaning that the planned activities are foreseen for implementation in the forthcoming five-year period (2007-2011).

4. Key actors in Implementation of the Strategy

The *active* key actors, directly engaged in the implementation of the proclaimed principles and assignments stated in this strategic document are considered as the following:

- 1. Unit for Cooperation with Non-Governmental Organizations under the General Secretariat of the Government;
- 2. Relevant ministries according to their field of competence;
- 3. Citizen associations.

The Initiative⁶ for establishing the Unit for Cooperation with Non-Governmental Organizations⁷, adopted by the Government in November 2004, explicitly expresses the willingness of the Government of the Republic of Macedonia to build on the confidence and cooperation with the civil sector. This Initiative serves as evidence to confirm the

⁶ The Initiative for establishing the Unit for Cooperation with Non-Governmental Organizations in the Republic of Macedonia, November 2004.

⁷ The Unit functions within the Sector for Policy Analysis and Coordination under the General Secretariat in the Government of the Republic of Macedonia (hereinafter Unit for Cooperation with the Non-Governmental Organizations)

Government's verification of the significance of the civil sector activities and emphasizes the need to develop a specific programme for cooperation, unlike the current practice of exercising a "non-continuous cooperation relationship". In favour of all defined provisions, the Unit for Cooperation with Non-Governmental Organizations has the responsibility of implementing the following activities:

- Drafting a Programme and a Strategy for Cooperation of the Government and the Civil Sector based on common values of modern democracy and the significance of the civic initiatives embodied in the social-changes segment, the cooperation, the solidarity, the transparency, the individual strength and responsibility, the participation in decision making, respecting individuality, the self-sufficient organization, the continuous learning, and shall be directed towards designing specific mechanisms for advancing relations between the Government and the civil sector;
- Preparing a complete overview of the current legislation securing its continuous update, proposing initiatives to the Government and the relevant ministries in order to instigate drafting of new legislation addressing the civil sector in Macedonia, thus inciting development of philanthropy, volunteering and a civil society acting as the pillar of the further development of a democratic, social and solidarity-based society;
- Monitoring the international legislation in certain countries that enables the advancement of the civil society and the drafting of comparative analysis proposing amendments to the Macedonian legal framework in order to make it compliant with European Union standards;
- Mediation in cooperation with the ministries and other state authorities with the civil sector, as well as monitoring and advancement of the cooperation with the civil sector in the Republic of Macedonia;
- In accordance with legislation, actively participating in the cooperation with the relevant ministries (managing projects) by organizing public debates on relevant legislation, projects, initiatives, i.e. activating the civil sector to a level that will ensure transfer and delegation of some of the present responsibilities of the Government to civil society organizations;
- Allocating financial resources from the Budget of the Republic of Macedonia for co-funding of public interest projects, implemented by the civil sector, thus ensuring a transfer of some of the Government's present activities to the civil sector;
- Providing education/training for the civil servants and the representatives of the local self-government in order to acquire essential knowledge and skills, necessary to obtain transparent and accountable partnership relations with the civil sector representatives;
- Establishment of a network for continual and timely dissemination of information to the civil sector with reference to all national and local level activities (preparing a bulletin, unit's website, panel discussions, consultations, etc.);
- Organizing regional conferences and similar events in order to exchange experiences with other EU candidate states, including those accessioned this year

for modes of cooperation of their governments and the civil sector, as well as participating in such events organized by the counterpart countries.

In accordance with the Rulebook for Internal Organization of the General Secretariat of the Government, the Unit for Cooperation with Non-Governmental Organizations under the Sector for Policies Analysis and Coordination is responsible for delivery of the following assignments:

- Preparing a Draft Strategy and a Programme for cooperation of the Government with civil society organizations;
- Maintaining cooperation with civil society organizations and institutions;
- Preparing a review of the legislation, continuous update, proposing initiatives to the Government and the relevant ministries in order to instigate drafting of new legislation for the civil sector;
- Monitoring of international legislation and drafting comparative analysis for the civil sector;
- Anticipating allocation of financial resources for co-financing of projects of public interest;
- Maintaining a holistic approach when addressing citizens' needs in Government's policy making;
- Mediating the inter-ministerial cooperation as well as of the other state authorities and the civil sector;
- Performing other duties defined in the scope of activities of the Unit for Cooperation with Non-Governmental Organizations/civil sector.

In obtaining greater results for specified assignments, the employees of the Unit for Cooperation with Non-Governmental Organizations are trained and have their capacities upgraded according to a previously developed plan. In addition to this, visibility measures are also designed for the Unit as well as directions for communication with the representatives of the civil society as a method of promoting public trust among actors. The visibility concept shall target the civil sector as well as the state institutions, the media and the general public. The guiding principles are the following: openness, correctness, presence on-site, and regular communication.⁸

The Strategy has a binding character only for the Government and the state institutions, and is not in a position to oblige the implementation and cooperation of the local self-government and the business sector with the civil society sector. Yet it is expected that the community and the conditions awaiting superior qualitative development by the above-mentioned key actors of the Strategy, shall *indirectly* motivate increased participation on behalf of the other segments without which the overall development would be incomplete and limited. It is a fact that the finalization of the interest-based linkage and the general, comprehensive social progress would not be meaningful and successful without the *local self-government* (as the baseline for

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⁸ Reflected though designing of a website, issuing promotional leaflets, information bulletin, organizing meetings, round tables, public debates, workshops, conferences, seminars, press conferences, announcements and briefings.

communication with the citizens) and the *business sector* (as the future factor defining the long-term beneficial role of the civil sector and for individual purposes developing a socially responsible business sector). As a result of this, this governmental document should be implemented and applied by all stakeholders in the partnership.

II. CIVIL SECTOR IN THE REPUBLIC OF MACEDONIA: GENERAL OVERVIEW

1. Definition of the civil sector

The civil sector emerges after the worldwide bourgeoisie revolutions, i.e. when the new social and economic establishment was introduced, when the citizen/the individual becomes the centre and the focal point (pillar) of the social system. As a result of the differences in stressing one aspect of the scope of work over another, various terms are in use for the civil sector and civil society organizations, such as the following: not-for-profit sector (USA), charity sector (Great Britain), voluntary sector, non-governmental sector, third sector, etc.

Various theoreticians, institutions and organizations worldwide provide various definitions for the notion and the composition of the civil society sector, pointing out certain common features or minimum criteria that are to be fulfilled. Of the numerous available definitions, yet there are several basic characteristics that are most frequently addressed: *viz*, citizens collaborate amongst themselves and with the governing structures for issues related to public and private interest; the activities are mainly addressed to public affairs not invading private (family) affairs, the State or the business sector; the sector functions within the rule of law; a group of "mediating" organizations are in question, positioned between the State and the family involving voluntary organizations and other corporate entities.

A generally accepted and officially authorized definition for civil society organizations does not exist, but according to the understanding of the United Nations, civil society organizations are the following: "Not-for-profit, voluntary citizen groups, organized on a local, national and international level in order to raise public interest issues. Fully oriented and created by individuals with common interests, they perform various services and humanitarian functions, they represent the needs of the citizens before the governing structures, monitor the policies and programmes' implementation and support the participation of the civil sector on a community level." On the other hand, CIVICUS defines the civil society as the space amid the family, State and the market, where people join in order to express their interests, from which definition one can conclude that the formal as well as the informal associations and networks ¹⁰ are included.

⁹ Source: United Nations, Agency for Cooperation with the Non-Governmental Organizations, Unit for Public Relations.

¹⁰ CIVICUS, 2003. CIVICUS – Worldwide Alliance for Citizen Participation and International Citizens' Organization founded 1993, based in Washington and Johannesburg, whose mission is to strengthen civil

The definition accepted by the participants in the "Civil Society Index" in the Republic of Macedonia, developed in 2005, can be added to these basic definitions. According to it, the following falls under civil society "all formal and informal citizen associations, organizations and networks occupying the space amid the family, the business sector, the political parties and the governmental sector, and adjoin in order to express common objectives and interests."

If one takes into account the manner in which the civil society is defined according to the Law on Citizen Associations and Foundations, dated 1998, it is evident that civil society organizations ¹² are founded on the grounds of values and interest, which are positive, non-political, non-profitable and non-business activities. This law prohibits organizations welcoming racial, religious intolerance, national hatred, and violence; the civil sector is different from the political parties (it is non-political); this law puts in a disclaimer, or more specifically, does not regulate trade unions, chambers of commerce, political parties, churches and religious communities treated under separate regulations.

As a result of the fact that the scope of activities as well as the partners involved in the implementation of this document need to be defined in the Strategy, and taking into account the legal background, one can recognize the idea of a wider and a narrower definition of civil society organizations and of the civil society. The wider, more expanded definition encompasses the "traditional" civil organizations, registered according to the Law on Citizen Associations and Foundations, also the religious communities, the political parties, the trade unions and the chambers of commerce. The narrower, more specific definition encompasses solely those organizations registered according to the Law on Citizen Associations and Foundations and they are non-profitable, non-political and founded in order to exercise and protect heterogeneous economic, social, cultural and other rights and convictions, as defined in the Constitution of the Republic of Macedonia.

The intention of the Strategy is to focus on the collaboration with civil society organizations referred to by the narrower definition of "a civil society organization", thus the hereinafter use of this term in the document shall apply only to those organizations currently registered according to the Law on Citizen Associations and Foundations (1998).

service action and the civil society worldwide. Presently, CIVICUS has 242 members (individuals and civil society organizations). 'Civil Society Index" according to the methodology of CIVICUS in the Republic of Macedonia was developed by the Macedonian Centre for International Cooperation

¹¹ The 'Index of the Civil Society' according to the methodology of CIVICUS of the Republic of Macedonia was drafted by the Macedonian Centre for International Cooperation.

¹² It should be noted that the term – "non-governmental organization" is frequently used as a synonym for a "civil society organization".

2. <u>Current situation: the present role of the civil sector in the Republic of Macedonia</u>

Associations of citizens have existed in the Republic of Macedonia since the end of the nineteenth century and the beginning of the twentieth century and have had certain influence over the general social development. The literary and cultural fractions, dating from the end of the nineteenth and the beginning of the twentieth century, the voluntary associations operating before the beginning of the Second World War, as well as the numerous sector-based social organizations (from 1945) accounted for the emergence of cultural, sports and professional organizations, later regulated by the Law on Social Organizations and Citizen Associations (*Official Gazette of SRM* No. 32/83 and 12/90) and the Law on Joining Citizens in Associations, Social Organizations and Political Organizations on the territory of SFRM (*Official Gazette of SFRY* No. 42/90)¹³. During that period, the following existed: social organizations, associations such as the Red Cross of Macedonia, the Women's Organization, the Trade Union, the Chamber of Commerce and various interest groups.

During the transitional period, a large portion of civil society organizations were founded in order to address the current social needs and to reflect the process of a gradual wider diversification of interests and trends. First to emerge were the ecological organizations near the end of the 1980s, then the youth organizations and the social and humanitarian organizations at the beginning of the 1990s, followed by the human rights organizations emerging in the mid 1990s. Today, in the Republic of Macedonia, the civil sector is characterized by huge heterogeneity regarding the representation of various sectors, such as the following: environmental, youth and children, human rights, gender issues, democracy and rule of law, cultural diversification and dialogue, education, employment, etc.

The civil society is represented by active volunteering and it differs from the activities in the private sector as a result of the fact that the market of goods and ideas, where it operates, has not been defined as a private/personal interest, but a community's public interest. It is a fact that in the last decade and a half, the civil society endured

13 Chart 1 Number of citizen organizations in Macedonia (UNDP, 1999; MCIC, 2003)

Year	Total	Sport (%)	Culture (%)	Professional (%)	FP (%)	Other (%)
1954	1004	27.6	10.3	3.7	55.6	2.2
1962	1138	28.1	11.4	7.3	41.0	12.3
1971	1535	30.9	8.4	6.6	45.3	8.8
1980	3077	39.9	9.1	9.2	23.7	17.8
1990	4203	41.3	11.1	11.8	14.6	21.1
1998	6526	43.6	13.1	10.4	5.9	26.8
2001	3433					
2003	5769	35.4	10.4	6.7	1.6	45.9

development and change. The number of newly registered civil society organizations in the period of 1990 to 1998 was 3,295 (UNDP, 1999). By adopting the Law on Citizen Associations and Foundations from 1998, all organizations were re-registered by the Ministry of the Interior in the competent courts. Today, in the Republic of Macedonia, the number of registered citizen associations is around 6,000. 14

2.1. Fields of activities

Guided by the values typical for citizen associations and foundations, and especially since the independence of the Republic of Macedonia, they played a major role in multiple areas. Special focus of attention, involvement and input were registered during the period of humanitarian crises (in Bosnia, in Kosovo and the 2001 conflict in Macedonia). The citizen associations and foundations demonstrated their engagement and pertinent role in society and in other areas in an effort to address the needs and the interests of the citizens in the following areas: environment, children's rights, human rights, development of democracy and the rule of law, education, poverty, minority rights, strengthening of civil participation in the social processes, information and education for citizens, building collective action capacities and resolving common local difficulties, increasing youth participation in the social process, social inclusion of marginalized groups, strengthening the position of women in society, input towards improvement of social circumstances, development initiatives, etc.

2.2. Characteristics of the civil sector

According to the analysis of the civil sector under the 'Index of the Civil Society' according to the CIVICUS methodology, it is evident that the civil society in the Republic of Macedonia is moderately well developed. The practice and promotion of positive values are its strengths, thus providing the grounds for its achievements and positive impact. The environment is limiting to a certain degree, possessing a vast deficiency in mutual trust and public encouraging mood. This, on the other hand has an adverse impact on the structure of the civil society, which can be described as moderate in size and unbalanced in its composition.

Today, citizen associations and foundations in the Republic of Macedonia are characterized by several *strengths*: ¹⁵

- Wide representation regarding the social groups in the civil sector;
- The civil sector contains the infrastructure for support and is characterized by a significantly high level of cross-organizational networking;
- Inter-organizational communication has a high regard for peace, gender equality and sustainable environment;
- Organizations display an evident energetic attitude in mutual communication, coordination and cooperation;

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¹⁴ In 2003, from the 'Index of Civil Society' according to CIVICUS, the total number was 5,769 (35.4% sport, 10.4% culture, 6.7% professional, 1.6% voluntary fire-protection, 45.9% other).

¹⁵ Source: 'Index of the Civil Society', 2005, MCIC.

• In the long term, the efforts of the civil sector result in strengthening the citizens' capacity.

On the other hand, they also contain certain weaknesses, reflected through the following:

- Presence of an urban-rural discrepancy, i.e. absence of the civil sector in the rural areas and high concentration of the civil sector in the urban areas;
- Limited self-regulatory activity within the civil sector;
- Reduced degree of internal democracy, gradual improvement of the internal democracy in organizations;
- Inappropriate efforts so far, in order to exterminate poverty;
- Existence of very few "big" civil society organizations with well-developed internal structure;
- Insufficient transparency in the operations of civil society organizations, especially in the financial aspect;
- Insufficient and inappropriate financial resource to achieve the objectives and huge dependence on foreign support and aid, which is an unfavourable trend in the long run;
- Ad hoc or mutually indifferent attitude towards stakeholders in society, especially towards the business sector.

2.3. Participation in policy-making processes

Activities for lobbying and advocacy before the state authorities are considered as less present in the civil sector, some due to passivity others due to the insufficient institutionalization of participation mechanisms. Yet, in the past few years, citizen associations and foundations were found to be successful in influencing the public policy-making processes in cooperation with the state institutions, especially when issues regarding the following groups were considered: women, the Roma people, disadvantaged individuals, environmental protection, pensioners, community care, etc.

The cooperation between the State and the civil sector is also practised in drafting laws or national strategies, or in cases of emergency (humanitarian) activities. The grounds for such cooperation, among other things is identified in the Law on Organization and Operation of the State Administration Authorities, in Article 1, paragraph 1, indent 3 (*Official Gazette of RM* Nos. 98/200 and 44/2002), stipulating that state authorities, in the process of drafting laws and other regulations, in accordance with their responsibilities, shall gather opinions from citizen associations and other legal persons.

On the basis of civil society organizations' initiative, amendments are drafted, or various laws are adopted, or amendments to existing laws are enacted, such as the following: changes and amendments to the Law on Citizen Associations and Foundations; changes and amendments to the Law on Community Care and Law on Family; Law on Citizenship of the Republic of Macedonia; Law on Asylum; legal acts addressing child protection and addressing disadvantaged individuals; Law on Conflict of

Interests; Law on Witness Protection; Law on Free Access to Public Information; Law on Donations and Sponsorship in Public Affairs, etc.

Further on, various strategies relating to various areas are prepared with significant involvement on behalf of the civil sector. Such is the case with the following documents: National Strategy on Education (2006); the National Strategy on Information Society (2005); National Strategy on Poverty (2002); National Strategy on Youth (2004); National Strategy on the Roma People (2004); National Report for Sustainable Development (2002); National Strategy on HIV/AIDS (2003-2006); National Strategy on Drugs Control (2007-2012), etc.

Significant collaboration between the government authorities and the civil sector already exists on a local level. The cooperation of the units of local self-government with citizen associations and foundations, local as well as national, reflects the mutual determination to engage in overcoming local problems. Some of the municipalities have employed civil servants responsible for cooperation with citizen associations and foundations, and instances of small financial aid allocated for certain projects are also noted.

2.4. Current legal framework

Elementary guarantees for the operation of citizen associations and foundations are determined by the Constitution of the Republic of Macedonia and by the Law on Citizen Associations and Foundations.

- a) According to Article 20 of the Constitution of the Republic of Macedonia, citizens are guaranteed the freedom to associate so as to exercise and safeguard their economic, social, cultural and other rights and convictions, i.e. citizens can freely form citizen associations and choose to be or not be a part thereof. The Constitution limits the programmes or the activities of citizen associations which could be directed towards the forceful overthrow of the constitutional establishment of the Republic of Macedonia thus instigating or inviting military aggression or national, racial or religious hatred or intolerance. Also, the Constitution prohibits military or paramilitary associations not incorporated within the armed forces of the Republic of Macedonia.
- b) The Law on Citizen Associations and Foundations, (Official Gazette of RM No. 31/98) was adopted in 1998 as a necessity emerging from the new democratic political system. According to this law, citizens can freely join assets or can join themselves, so as they can exercise their economic, social, cultural, sports, scientific, technical, humanitarian, educational and other rights and convictions. This law stimulates the development of the civil sector, stipulates the manner, the procedure and conditions for the association, registration, operation and termination.

According to the contents of the law, the citizens can associate, i.e. establish citizen associations and foundations. These organizations are the two basic forms of non-profitable organizations, and their existence relates to associating persons (in associations), or assets (in foundations) exclusively for safeguarding statutory (but also constitutionally and legally) defined objectives, rights, interests and convictions.

The Law on Citizen Associations and Foundations stipulates that citizen associations and foundations shall not perform political activities or utilize their resources or funds to engage in implementation of the objectives of political parties, be directly engaged in the election campaign, collect resources for the election campaign nor finance the political party (Article 3). Also citizen associations and foundations, i.e. their programmes and operations must not be directed towards the following: violent overthrow of the constitutional establishment of the Republic, instigating or inviting military aggression nor national, racial, religious hatred or intolerance (Article 4).

The application of this law in the last eight years has indicated certain shortcomings and newly identified needs of the continuously maturing and developing sector, imposing the need for improvements in the sector. In addition to this, there is an ongoing procedure for adopting changes and amendments to this law in order to harmonize its provisions with the practices and regulations adopted by the European countries and in order to provide a more favourable environment for the operations of civil society organizations. The key changes in the law address the possibility of forming citizen associations of legal persons, enabling the performance of economic activities and introducing the status of public interest organizations. ¹⁷

c) Supporting the development of the institutions of the civil sector is an effort directly made by the Government of the Republic of Macedonia, in accordance with Article 1, paragraph 1, indent 10 of the Law on the Government of the Republic of Macedonia (*Official Gazette of RM* No.59/00, 12/03, 55/05 and 37/06). Under the policy of the Government for a continuous and effective cooperation with the civil sector and institutionalizing that cooperation, in December 2004, in the General Secretariat – Sector for Policy Analysis and Coordination, a Unit for Cooperation with Non-Governmental Organizations was established. For the development of this Unit, technical support was secured by the CARDS programme.

2.5. Financing

Since the independence of the Republic of Macedonia up to the present date, certain financial support on behalf of the State for the civil sector existed. As to satisfy the provisions of the legislation, the financing procedure should be defined in more details in

¹⁶ Income generated by economic activities on an international level is recognized as the most significant source of financial sustainability of COs and comprises a 53% share of the overall civil sector revenue compared to the 35% state financing share, and the 12% share philanthropy. Source: 'Global Civil Society: An Overview', Lester M. Salamon, the John Hopkins Comparative Non-profit Sector Project, 2003 (www.jhu.edu/~ccss).

¹⁷ As a result of the fact that civil society organizations provide activities and services of public interest, that unless so would have been provided by the State, it is necessary to enable unrestricted functioning of those organizations in order to secure long-term continuous delivery of that activity. In that sense the State shall maintain partial or full replacement of certain public functions or competences of the public sector through current or future sector inputs for the general good.

the forthcoming period. With reference to that, the following is of utmost importance: transparency and accessibility under previously nominated conditions and resource procedures for all civil society organizations, clarity in defining the principles and criteria, defining public interest priorities, identifying strategies and conditions for various donors and analysing their financing priority trends, as well as efficient monitoring of the utilization of public resources on behalf of citizen associations and foundations.

Financing through the Budget

Legislation provides that citizen associations and foundations receive resources from the State, according to a prescribed and defined procedure. The Government of the Republic of Macedonia presently finances citizen associations and foundations through several sources:

a) In accordance with the Decision on criteria and allocation procedure of financial resources to citizen associations and foundations from the Budget of the Republic of Macedonia (*Official Gazette of RM* No. 60/2000) the Government annually allocates finances through the Budget. In addition, the Ministry of Finance puts out a public announcement in the newspapers for collecting applications for reallocations of the Budget resources intended to finance citizen associations; meanwhile the Commission under the Government defines the beneficiary organizations. The list of elected civil society organizations and the defined reallocations are published in the *Official Gazette of Republic of Macedonia*. The Procedure for allocating resources is carried out according to previously defined criteria and is limited to a specific scope of activities. Considering the fact that presently, associations and foundations operate under an expanded scope of activities, appealing for state support, a need is identified to improve the criteria and the overall process of resource reallocation. Also, a need to provide greater accountability of expenditures on behalf of the organizations is identified, in order to determine the proper utilization of resources.

b) The resources are reallocated through the budgets of the ministries and other governmental institutions. For example, the Agency for Youth and Sport apportions resources intended to support civil society organizations' projects. Innovations in the financing modes are foreseen by the new Law on Community Care (Official Gazette of

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Sum of money and number of organizations financed according to the Decision of criteria and procedure for reallocation of financial resources to citizens associations and foundations from the Budget of the Republic of Macedonia (in 1000 MKD)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Reallocated resources	14,400	24,000	24,980	21,050	19,100	16,810	9,700	10,250	9,450	9,870	14,920	14,900
Number of beneficiaries/ organizations	14	20	23	35	21	37	40	90	86	106	80	107

RM No. 21/06). The offering of services by the civil sector is an initiative exercised by the means of the new "contract" based or "service provision contracts" based practice. Initial examples of it emerged during the year 2001, when certain civil society organizations on behalf of the Ministry of Labour and Social Policy accommodated displaced persons in their collective centres. These more instrumental approaches to civil society will be exercised by the means of expanded financial resources secured though the delivery of services defined in contracts, according to defined criteria and key performance indicators. On the basis of an adopted regulation there is an ongoing process for registering civil society organizations applying for professional engagement in the social area and for whose services budgetary resources will be allotted.

- c) The Government also allocates resources according to the provisions of the Law on Lotteries (*Official Gazette of Republic of Macedonia* Nos. 20/97, 54/97 13/2001 and 2/2002), and every year a Decision for reallocation of the revenues from lotteries is adopted thus supporting certain sports associations, the Community of Organizations for the Disadvantaged of the Republic of Macedonia and the Macedonian Red Cross. Lotteries are a significant source of support to civil society organizations in the countries of the region. As a result, a need for a base of comparative experiences has been identified, as well as a need, in accordance with domestic circumstances, to consider the amendment of the Decision so as to expand the number of eligible organizations and to define the activities estimated by the State as eligible for aid.
- d) The Secretariat for European Affairs in cooperation with the GTZ puts out a public announcement and according to previously defined criteria annually grants finances for civil society organizations which activities are focussed on promotion of the European Integration process.

Within the framework of the EU financial instrument CARDS in the past few years (2002-2004), the Government of the Republic of Macedonia has allocated funds for structural reforms, the rule of law and democratization of the society for improvement of interethnic relations, to civil society organizations through several projects. ¹⁹

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Project name	Budget (euros)	Implementation period	Implementation (target group)		
CARDS 2002			-		
Establishing 8 NGO resource centres	1,800,000	2004 – 2006	Foundation Institute Open Society Macedonia / Macedonian civil society organizations / established 8 centres in Strmuica, Negotino, Gevgelija, Delcevo, Kratovo, Struga, Resen and Debar		
NGO Fair - Forum of the civil society in Macedonia	50,000	2002 – 2003	Macedonian centre for International Cooperation / Macedonian civil society organizations		
Promotion of interethnic relations	1,200,000		5 civic organizations		
Promotion of interethnic relations			9 secondary and 11 primary schools		
CARDS 2003					
Building civil society organizations' capacities	1,200,000	2005-2007	Danish Refugee Council / Macedonian civil society organizations		
Technical assistance for the campaigning for tolerance for youth	900,000	2004-2006	British council / Government of the Republic of Macedo and youth organizations		

Tax policy, incentives for philanthropy and volunteering

The State financially supports the civil sector not only through allocating budgetary resources, but by the means of an exclusive tax policy. The present laws foresee certain provisions in order to motivate the activity of citizen associations and foundations. For example, the Law on Donations and Sponsorship in Public Affairs (Official Gazette of RM No 47/06) anticipates tax alleviations for natural persons and legal entities for donations and sponsorship provided to public interest civil society organizations. Similarly, in accordance with the Law on Value Added Tax, the goods imported from foreign donors to domestic civil society organizations are tax-free. Such positive trends impose the need to reconsider the present tax framework and determine new directions in accordance with the regulations of the European Union, the regional positive experience and the domestic conditions in order to obtain improved functioning of civil society organizations. Similarly, the European Union in the Reports on Stabilization and Association of the Republic of Macedonia for 2002, 2003 and 2004, assessed the financing of organizations as fragile, that there is a deficiency in provisions for the taxation and motivation of citizens associations and foundations, and that the legal framework should better promote their development.

On several occasions, the Government also emphasized the volunteering as a significant segment of society, enabling the citizens to directly influence the development of the community. Civil society organizations in the Republic of Macedonia and in the region rely more on volunteers in implementing their activities, and the countries of the European Union have already adopted laws in order to promote volunteering and enable mobility of volunteers in the region. As a result, the Government in the 'Response to the Questionnaire of the European Commission for Drafting an Opinion to the Membership Request of the Republic of Macedonia for EU Accession' stated "Volunteering is presently not regulated by a separate legal act. The presence of the volunteers from the European Union and the candidate countries is regulated under the Law on Residence and Movement of Aliens (Official Gazette of RM No. 26/93 u 45/02). The adoption of the Law is foreseen by the National Strategy on Youth in the Republic of Macedonia, adopted in December 2004 by the Government of the Republic of Macedonia".

As a consequence of the initiative by the Secretariat for European Affairs, in October 2006 the Government committed the relevant ministries to start drafting the Law on Volunteering and the Strategy for promotion and development of volunteering.

3. Participation of the civil sector in the process of European integration

The European integration of the Republic of Macedonia is the top priority horizontally linking all departmental reform. In the National Strategy for Integration of the Republic of Macedonia into the European Union, the necessity for developing public administration competent to bear the burden of the integration in the European Union and the membership responsibilities is emphasized. It has been clearly stressed that one of the aims of the reform of the public administration is the very protection of the citizens' rights, the transparency and communication with the civil sector. It is clear that upgrading

mutual communication will contribute to an accelerated transformation of Macedonia's society in accordance with the new, required standards. In line with the EU integration process and according to the Strategy for capacity building (training) for the civil servants in the Republic of Macedonia, civil society organizations are part of the target group in those activities.

On the other hand, the flexibility and adaptability of the civil sector will be an essential contribution to these efforts. Similarly, the civil sector can provide the expertise and know-how of the transformation of separate areas of Macedonia's society available through a direct, project or educational activity. The benefits undoubtedly will be multiplied for all interested parties.

III. PRINCIPLES OF COOPERATION

The cooperation of the Government with the civil sector rests on the principles of mutual trust, partnership, participation and consultation, transparency and accountability.

Mutual trust

In the process of development and implementation of policies and activities, the roles of the Government and the civil sector are complementary. Their mutual goals will be most efficiently accomplished provided that they are determined and implemented on the grounds of mutual trust, for the aim they strive to achieve and the method of achieving. The Government and the civil sector enter into a mutual relationship, unbiased and fully understanding the positive role each counterpart performs in achieving common goals. The content of this principle is determined by the following two components: awareness and public interest.

Partnership

Successful cooperation between the Government and the civil sector requires partnership and division of tasks in order to be more efficient in addressing the citizens' needs. The partnership principle refers to equal basis cooperation in order to establish an evenly based dialogue and respect to various viewpoints in defining common goals implementation. Whenever considered necessary, the Government and the civil sector will function complementarily by utilizing governmental intervention and civil sector's input within the boundaries of their capacity and knowledge for all relevant areas, and *vice versa*.

Participation and consultations

The Government enables involvement of the civil sector in the policy-making process in order to include the interests and the recommendations of the citizens in the processes of decision making and implementation of measures and policies. The civil sector, employing its capacities and resources contributes to an increase in quality for the benefit of the community. It represents various values and interests of the citizens, and serves as a medium across which the citizens receive information and express their viewpoints on the suggested governmental measures. The Government will be open for dialogue with the public in order to improve quality of suggested policies and to strengthen the legitimacy of its policy.

Transparency

The activities that are to be undertaken by the Government and the civil sector with reference to the programmes and the plans necessary to accomplish common goals will be openly shared by both sides and accessible to the public. The Government will address special attention to this principle with regards to accessibility of information, participation in public policy making and allocation of resources.

Independence

The civil sector is free and independent in deciding about its aims, adopting its decisions and planning its activities. The Government respects the distinctiveness typical for the sector and its independence in representing citizens' interests, in implementation of activities for which financial aid is received by the Government, and in participation in policy making.

Accountability

The Government and the civil sector are mutually accountable to the public and the citizens for jointly implemented activities. This principle is expressed through efforts of the Government and the civil sector to take into account citizens' comments while deciding on priorities and drafting and implementing the policies. The Government and the civil sector are undertaking to guide themselves by the principle of mutual accountability in reallocation and utilization of governmental resources.

IV. STRATEGIC GOALS

The Government aims to strengthen and promote the cooperation with the civil sector and to create a more favourable environment for its functioning in order to obtain a mutual contribution in addressing the community's needs and to provide the necessary conditions for the sector to exercise its important role.

According to the Strategy for Cooperation with the Civil Sector, and the mutually binding strategic goals supporting the cooperation and the development of the civil sector, directions will be determined in order to achieve the following:

- Advancing and improving the legal framework for development of the civil sector;
- Participation of the civil sector in policy-making processes;
- Maintaining cross-institutional cooperation;
- Maintaining cross-sectoral cooperation;
- Involvement of the civil sector in the integration process to the European Union;
- Creating more favourable conditions for financial sustainability of the civil sector;
- Continuous development of the civil sector.

4.1. Advancing and improving the legal framework for the development of the civil sector

The Government aims to propose an upgrade to the legal framework addressing civil society organizations in the Republic of Macedonia in order to obtain improved conditions for the establishment and functioning of civil society organizations and clearly be in line with the best European practices and regulations. An improved legal framework will provide the right for everyone to join and participate in the management of civil society organizations. The Government will improve conditions for civil society organizations to enable direct engagement in economic activities, thus facilitating the civil sector organizations to generate income for delivery of statutory activities and coverage of expenses.

The Government will strengthen the role of civil society organizations dealing with public interest activities and will provide the basis for their sustainability. In order to obtain the above-mentioned, the Government shall introduce a new status for these organizations safeguarding tax benefits and other types of support on behalf of the State through an objective, accountable and transparent mechanism. At the same time, by means of this status, it shall enable greater commitment on behalf of civil society organizations.

In order to obtain a more efficient implementation of the legislation, the Government will support work sessions organized with civil society organizations and the civil servants responsible for implementation of the legal provisions. The exchange of opinions and the

educational nature of these seminars will contribute to a consistent and harmonized application of the provisions.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Changes and amendments to the Law on Citizen Associations and Foundations;
- Undertaking measures for an efficient implementation of the provisions by drafting and adopting secondary legislation on the basis of the analysis of comparative and domestic conditions;
 - Promoting new legislation and opportunities for the civil sector organizations;
 - Capacity building for the civil servants implementing laws.

Responsible authorities: Ministry of Justice, General Secretariat

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

<u>Timeframe</u>: 2007 (intensely) 2008-2011 (continuous monitoring)

4.2. Participation of the civil sector in policy-making processes

The intention of the Government is to develop a system of basic principles in order to expand possibilities for the participation of citizens and their organizations in the decision-making process. Thus the Government shall guarantee the integration of the standpoint of civil society organizations in the drafting, implementation, monitoring of public policies, and the reflection of their needs and priorities in those policies. Through this system civil society organizations will participate in the decision-making process and in the drafting of legal acts by taking part in public debates and submitting opinions. They will also be involved in the inter-departmental working groups and the Government's advisory bodies (for example the Expert Councils of the Government – the Legal and the Economic Council). Participating in policy making signifies an improved access to public information, thus the Government will design various portals for timely publishing of information and gathering of observations.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Changes in the Work Plan of the Government by defining principles and mechanisms facilitating information and active involvement of participants of civil society organizations in adopting policies, laws and other decisions, and their active participation in working groups for drafting those decisions on a governmental level and with the administration authorities;
- Enable draft laws to be accessible to the public through the web pages of the ministries and the other state authorities;
- Provide measures for safeguarding participation of a civil sector representative in the work of the expert councils of the Government and other state authorities;

- Enable cooperation and participation of civil society organizations in the process of creating the Budget of the Republic of Macedonia;
- Timely and transparent reporting to civil society organizations for the fundamental guidelines of the Budget policy and the allocation of the Budget;
- Make a coalition with the civil sector, combining efforts to combat corruption;
- Enable civil society organizations access to information as a reflection of the existing democracy and transparency.

Responsible authorities: General Secretariat and all relevant ministries

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

<u>Timeframe</u>: 2007 (intensely) 2008-2011 (continuous monitoring)

4.3. Maintaining cross-institutional cooperation

The Government, within its institutions, aims to establish a functional network contributing towards a facilitated communication and coordination of the activities related to the development of the civil sector. In this direction, the Government will undertake measures to strengthen the role of the Unit for Cooperation with Non-Governmental Organizations to obtain a more efficient implementation of its activities and maintain coordination and promote cooperation not only between the Government and civil society organizations but among other administration authorities as well. At the same time, the ministries will appoint responsible persons to develop cooperation between the relevant ministry and civil society organizations, cooperating with the rest of the ministries and other state authorities as well, thus ensuring harmonized implementation of the principles of the general policy for cooperation between the Government and the civil sector. This will safeguard a more efficient and coordinated exchange of experiences and implementation of the goals of the Strategy and legal acts. The Government will stimulate an exchange of experiences with the local selfgovernment units in order to facilitate the implementation of this Strategy. By the means of cooperation on behalf of the Ministry for Local Self-Government, the exchange of experiences between the local self-government units and the state authorities for the relevant areas, the Strategy shall be more successful.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Further build the capacities of the Unit for Cooperation with Non-Governmental Organizations;
- Appoint responsible persons for cooperation between civil society organizations and the relevant ministries;
- Develop an exchange of information and consultation system between the Unit for Cooperation with Non-Governmental Organizations and the responsible civil servants in order to monitor the cooperation among institutions;

 Organize educational debates and workshops dealing with sector-significant issues for the responsible persons in the ministries cooperating with civil society organizations.

Responsible authorities: General Secretariat and other administrative authorities

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

<u>Timeframe</u>: 2007-2008 (intensely) 2009-2011 (continuous monitoring)

4.4. Maintaining cross-sectoral cooperation

The Government aims to promote active cooperation between civil society organizations and the Government on both central and local levels. As a result of coordinated and functional cooperation between the public and the private sector in implementing the public interest measures a more efficient identification of the problems will be achieved and a greater level of compliance with citizens' and civil society organizations' needs will be reached. The Government will make efforts to develop various modes of cooperation, and long-term strategy for a particular area will be promoted and implemented, targeted projects and other meaningful activities to the community will be also promoted and implemented. By means of the cooperation of the Government with civil society organizations, as well as through their networks and platforms, civil society organizations will be encouraged to cooperate, to coordinate and jointly bring forth their activities and communication modes with the Government. The Government will introduce an efficient instrument in order to improve public services and to combat bureaucracy and corruption: civil service log. The citizens and their organizations will have the opportunity to assess the quarterly operation of various state institutions by filling in simple forms. The summary results will be reviewed by the Government, followed by recommendations for the status quo institutions. The findings of the civil service logs will be accessible to the public. The cooperation between the Unit for Cooperation with Non-Governmental Organizations and civil society organizations will result in a participative and joint process of implementation of measures and activities of this Strategy.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Engage civil society organizations in the drafting and the implementation of projects and activities of mutual interest to the Government, civil society organizations and the citizens, and to provide financial support through grants or contracts:
- Establish inter-departmental advisory bodies to review and implement certain projects;
- Create mechanisms for cooperation between the ministries and civil society organizations in provision of services;

• Introduce a civil service log as an efficient instrument for improving the public service system and combating bureaucracy and corruption.

Responsible authorities: General Secretariat and other administrative authorities

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

Timeframe: 2007-2008 (intensely) 2009-2011 (continuous monitoring)

4.5. Involvement of the civil sector in the process of European Union integration

The Government aims to support and enlarge the role and participation of civil society organizations in the integration process to the European Union. The Government will introduce mechanisms safeguarding consultations for the civil sector involvement in the drafting, approximation, implementation, monitoring and assessment of political and legal measures, and especially in the process of developing national development plans, operation programmes and similar strategic documentation. In accordance with the Campaign for notifying the public about the European Integration and the Pre-Accession Instrument (IPA) process, the Government shall undertake a range of activities aimed towards informing civil society organizations about the possibilities of utilizing the IPA. By the means of adopting these measures, civil society organizations will actively contribute with their capacity, experience, expertise and provisions in drafting and implementing strategic documentation.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Establish mechanisms for consultations with civil society organizations in the drafting, approximation, and implementation and especially in the process of creating the national development plans, the operational programmes and the accompanying strategic documents;
- Adopt a decision for creating partnership between the Government and civil society organizations intended towards full engagement of all end users in the European integration process as well as in the process of utilizing the IPA;
- Adopt Framework Regulation for implementation of the IPA instrument on behalf of the Government, after it is conferred by the European Commission;
- Continue established practices of cooperation with civil sector according to the Strategy for capacity building (trainings) of the civil servants of the Republic of Macedonia in the EU integration process.

Responsible authorities: Secretariat for European Affairs, General Secretariat

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

Timeframe: 2007-2011

4.6. Creating more favourable conditions for financial sustainability of the civil sector

The Government will suggest improvement of the framework for financing civil society organizations in order to strengthen the support-base of civil society organizations using domestic and private sources (from the budget, the ministries, lotteries and other existing mechanisms), creating a more favourable policy for indirect financing (introducing benefits from the income tax, VAT, property tax, etc., and stimulating the development of philanthropy, social responsibility and volunteering). Thus the citizen associations will acquire expanded possibilities for utilizing domestic resources in order to perform public interest activities, while the private persons and citizens will be stimulated to actively engage in resolving priority issues in their own community. The Government will also improve the legal framework for the financial provisions of civil society organizations thus enabling greater professional work and accountability for the organizations' work.

The Government will suggest a financing system based on the principles of transparency, clearly defined criteria and previously determined community needs and priorities. Warranties will be set up to ensure that finances from the budget, the lotteries and other sources will be reallocated and utilized appropriately and above all will be intended for activities addressing citizens' needs. Such a system will facilitate equal conditions for civil society organizations to access all resources. Similarly, civil society organizations will intensify their accountability in the process of utilizing resources and will provide efficient monitoring of the manner in which allocated resources are spent.

The Government will suggest a legal framework for civil society organizations to perform economic activities and so introduce income tax alleviations or liberations, thus providing an opportunity to exploit the income generated by economic activity or by other types of self-financing. The Government will introduce other tax benefits, enabling civil society organizations to gain greater financial support for implementation of their public services and activities. According to the Programme of the Government, the personal income tax will be reduced from 15% to 12% starting 2007, i.e. 10% in 2008. Similar tax alleviations shall apply to the income tax, being reduced from the present 15% to 12%, i.e. 10%.

The Government aims to increase the level of financial contributions from the legal entities and the citizens in favour of supporting civil society organizations. For that purpose, the Government will support programmes for promoting activities, increase contributions on behalf of the legal entities for the development of the community and mobilize resources from private sourcing. The Government will monitor the application of the present tax provisions addressing philanthropy and will consider the need for further upgrading it, securing benefits and stimulus for the legal entities and the citizens to support civil society organizations. The Government will develop cooperation with the

legal entities in order to stress their positive influence in the development of the community and mutually promote greater social responsibility.

The Government will provide improved conditions and framework for volunteering facilitating greater citizen participation and involvement in the problem-solving process of the community by the means of volunteering.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Draft and adopt a new Decision for the methods and criteria of reallocation of budget resources;
- Adopt changes to the Law on Lotteries and pass an allocation act;
- Prepare and adopt changes to the tax laws (income tax, VAT, personal income tax) and other laws influencing the work of civil society organizations;
- Consider possibilities for creating a system for engaging civil society organizations in implementing activities from their domain (for example, through defining standards, rewarding licences for social service provision) thus, providing greater choice in selecting a service provider and advance the quality of the services:
- Develop an analysis for applying the Law on Accountancy of Non-Profitable Organizations and prepare changes for upgrading the financial legal framework;
- Prepare a plan for monitoring the application of the Law on Donations and Sponsorship in Public Affairs;
- Cooperate with legal entities and civil society organizations to sustain programmes for socially accountable enterprises;
- Draft and adopt a Law on Volunteering, as well as a plan for support of the programmes for volunteering development.

<u>Responsible authorities:</u> Ministry of Finance, General Secretariat, Ministry of Labour and Social Policy, Ministry of Justice, Ministry of Economy, Agency for Youth and Sports

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

Timeframe: 2007-2008 (intensely) 2009-2011 (continuous monitoring)

4.7. Continuous development of the civil sector

The Government aims to support the development of capacities in civil society organizations on both national and local levels, and especially in the rural environments. Thus, it will help the civil sector to increase its input in the development of the community and satisfy citizens' needs. The Government will support initiatives which amplify professional operation of the sector. The Government will support measures which will assist in raising the public's trust in civil society organizations. Thus, civil

society organizations shall be embedded in their communities, and will enable citizens to recognize the positive influence of civil society organizations over the social environment, to support and to engage in their activities. The Government, via the media, will promote the cooperation with civil society organizations and will present the results of the jointly implemented projects. By the means of promoting the objectives and measures of the Strategy on a local level, the units of local self-government will recognize the significance of collaboration with, and development of the local civil society organizations, thus adopting similar mechanisms for cooperation and engagement of civil society organizations in implementing joint activities.

In order to achieve this goal, the Government, within a defined timeframe will be obliged to carry out the following:

- Motivate the development of the civil sector, especially beyond the borders of the capital and in the rural areas;
- Support activities significant for the development of the sector by the means of an open and transparent process of cooperation with all stakeholders;
- Initiate cooperation and involvement of the media in the work of civil society organizations though continuous monitoring of their activities;
- Devise communication networks for exchanging positive examples of cooperation with the local self-government units.

<u>Responsible authorities:</u> General Secretariat, Ministry of Local Self-Government, other administrative authorities, civil society organizations.

<u>Authority responsible for monitoring of activities</u>: General Secretariat / the Unit for Cooperation with Non-Governmental Organizations

Timeframe: 2007-2011

V. IMPLEMENTATION, MONITORING AND REVISION

The Strategy for Cooperation with the Civil Sector is a dynamic document, not a static overview of the present situation. The Government and civil society organizations shall monitor the process of implementation of the Strategy as well as its effectiveness in order to adjust to the emerging needs.

On the basis of European practices, the Government shall prepare a Plan for Monitoring the Strategy Implementation.

The Plan shall include a provision for the General Secretariat / the Unit for Cooperation with Non-Governmental Organizations to submit reports at the end of each year to the Government to account for achieved activities and objectives during the Strategy implementation process. The Plan shall include a provision for the General Secretariat / the Unit for Cooperation with Non-Governmental Organizations, after the second year of Strategy implementation, to prepare and implement a Plan for Strategy Implementation Assessment. The assessment shall be conducted by means of consultations with representatives of civil society organizations, civil servants, legal entities, citizens and media. The results of the assessment shall contain an analysis of the current implementation, information of fulfilled objectives, and recommendations for changes and adjustment of the Strategy and the Action Plan to emerging needs and conditions.

Amongst other things, the measures for implementation and revision shall include the following: the process of distributing the Strategy to other public sector institutions and collecting feedback on its application; a strategy for communication and reporting on objectives and achieved results; a financial plan in order to define priorities and to obtain implementation resources.

The Unit for Cooperation with Non-Governmental Organizations and the General Secretariat of the Government hold the primary role in coordinating and implementing the Strategy. They are also responsible for the periodic assessment and reporting on the implementation of the Strategy. Simultaneously, the General Secretariat / the Unit for Cooperation with Non-Governmental Organizations shall coordinate with relevant ministries and other state authorities responsible for the implementation of the specific Strategy measures in order to secure timely planning and activities implementation.

VI. IMPLEMENTATION PLAN

Specific measures for implementation of the Strategy for Cooperation with the Civil Sector shall be integrated into the Action Plan (Implementation Plan), which is an integral part of this Strategy.

See Appendix 1.

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Republic of Macedonia GOVERNMENT OF THE REPUBLIC OF MACEDONIA Secretariat General

ACTION PLAN FOR IMPLEMENTATION OF THE STRATEGY FOR COOPERATION OF THE GOVERNMENT WITH THE CIVIL SECTOR (2007-2011)

Results	Measures	Activities	Time Frame	Respons.	Instit.
GOAL 1: UPGRADING THE LEGAL FRAME Changes and amendments to the Law on Citizens' A					
 Improved conditions for establishing and functioning of the civil society organizations. Civil society organizations are directly engaged in economic activities, thus enabling the civil society organizations to generate income for exercising statutory activities and covering expenses. Special status for the civil society organizations addressing public benefit activities. Objective, accountable and transparent mechanism for providing tax benefits and other types of state support by the means of which grounds for sustainability shall be obtained. Increased accountability on behalf of the civil society organizations. 	 Changes to the Law on Citizens' Associations and Foundations. Adoption of secondary legislation. 	 Identifying the actors, their mutual relations, the priorities, as well as comparative analysis. Public debate. Setting up an inter-sector working group for drafting the changes for secondary legislation. Technical support for the process drafting the amendments and the sondary legislation. Preparation of practical materials. Plan for Monitoring of Implement and Assessment. 	the the of sec-	Ministry of Justice, Secretariat General	Secretariat General / Unit for Cooperation with the Non-governmental Organizations
Implementation of adopted decisions			·		
Consistent and harmonized implementation of the legal provisions addressing the civil society organizations.	 Promoting the legislation among the civil society organizations. Capacity building for appointed civil servants for cooperation with the civil society organizations implementing the Law. Monitoring of the implementation of the Law and the secondary legislation. 	 Organizing educational and briefine events for the civil society organizations. Organizing seminars for civil servimplementing the Law. Preparation of practical materials. Plan for Monitoring of Implement tion and Assessment. 	stue 37-2008 (intensely) 9-2011 (continuou monitoring)	Ministry of Justice, Secretariat General	Unit for Cooperation with the Non-governmental Organizations

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Results	Measures	Activities	Time Frame	Respons. Insti
GOAL 2: PARTICIPATION OF THE CIVIL SE	ECTOR IN THE DECISION-MAKING PROC	ESS		
Establishing mechanisms for participation of the cit	izens and their organizations in the decision-mak	ing processes		
 Developed system for engaging civil society organizations in the decision making of all levels. The civil society organizations participate in the drafting, the implementation and the monitoring of public policies as well as drafting of national acts. Draft laws are available through internet pages of the ministries and other state administration organs. The considerations of the civil society organizations are taken into account and integrated in the decision-making process. The civil society organizations are involved in the compiling of the Budget of Republic of Macedonia. 	 Amendments to the Work Plan of the Government and introducing mechanisms to enable information and active participation of representatives of the civil society organizations in adopting policies, laws and other decisions by the means of public debates and opinions exchange. Building capacity for the civil servants and the civil society organizations for the implementation of the amendments to the Work Plan. Monitoring the implementation of the amendments to the Work Plan. Devising measures for participation of the civil society organizations in the process of development of the Budget of Republic of Macedonia. 	 Identifying the actors, their murelations, the priorities, as well comparative analysis Public debate. Setting up an inter – sector work group for drafting changes to the Plan of the Government. Setting up an inter - sector work group for involvement of the cirganizations in the process of coing of the Budget of Republic ocedonia. Adopting amendments to the William Plan of the Government for intring mechanisms to engage civil ety organizations in the decision making processes. Technical support for the procedurafting the amendments to the Plan and the measures. Preparation of practical materia Plan for Monitoring of Implemental Assessment. Organizing educational and brid events for the civil servants and civil society organizations. 	king e Work cing vil or- mpil- f Ma- fork oduc- soci- n- ess of Work ls. entation	Ministry of Justice, Secretariat General, Ministry of Labour and Social Policy Secretariat General / Unit for Cooperation with the Non-covernmental Organizations

Results	Measures	Activities	Time Frame	Respons	s. Instit.
Active particiaption of representatives of the civil so	ociety organizations in state advisory and other bo	odies			
The civil society organizations participate in the work of the advisory bodies and in other state bodies and are engaged in the process of drafting, implementing and monitoring of public policies.	 Adopting the amendments to the legal acts for participation of the civil society organizations in the Governmental expert councils – Legal and Economic council and other counseling bodies. Capacity building for the civil servants Capacity building for the civil society organizations and implementation of the legal acts. Building coalition with the civil sector for fight against corruption. 	 Identifying the actors, their mutarelations, the priorities, as well a comparative analysis. Public debate. Setting ip an inter - sector working group for drafting amendments and legal acts. Setting ip an inter - sector working group for involvement of the civing ganizations in the fight against of tion. Adopting the legal acts on behalf the Government for engaging cinsociety organisations in the Government account in the Government account in the Government for engaging cinsociety organisations in the Government account in the Government and other counting bodies. Technical support for the process drafting the legal acts, as for the tion. Preparation of practical material Organizing educational and brie events for the civil servants and civil society organizations. 	ing to the lang vil or-corrup- f of vil 2007-2008 ern- nd insel- is of Coali- is.	Ministry of Justice, Secretariat General, Ministry of Labour and Social Policy	Secretariat General / Unit for Cooperation with the Non-governmental Organizations

Results	Measures	Activities	Time Frame	Respons	s. Instit.
GOAL 3: MAINTAINING INTER-INSTITUTION					
 The Unit for Cooperation with the Nongovernmental organizations efficiently implements its activities, coordinates and promotes the cooperation between the Government, the civil society organizations and other state authorities. Harmonized implementation of the principles of the general policy of cooperation between the Government and the civil society organizations, and proposing the same practice on a local level. The civil society organizations employ an upgraded approach to the ministries and the appointed, responsible persons for cooperation, exercising successful cooperation and communicating activities. The responsible persons for cooperation and the civil servants display a better understanding of the possibilities emerging from the cooperation with the civil society organizations. The civil servants are trained to promote and more efficiently implement the legal acts and the secondary legislation. 	 Capacity bulding for the Unit for Cooperation with the Non-governmental organizations as well as for the responsible civil servants for cooperation with the civil society organizations. Designing a system for exchange of information, experiences as well as consultative sessions between the Unit for Cooperation with the Non-governmental organizations and the responsible civil servants for cooperation with the civil society organizations in order to more efficiently and with greater coordination implement the goals of the Strategy, the legal acts and the secondary legislation. Initiating exchange of experiences with the units of local self-government in order ro assist the implementation of the goals of the Strategy. Monitoring of the implementation of measures. 	 Defining the functions of the Uni Cooperation with the Non-goverr organizations (description of responsibilities – job description) well as methods of cooperation wother state authorities. Appointing responsible civil service cooperation with the civil society ganizations in the relevant institue. Promoting responsible civil servate cooperation with the civil society ganizations and preparation of prematerials. Maintaining a regular reporting position with the civil servante the cooperation with the civil servante the cooperation with the civil society organizations, for the activities of Unit for Cooperation with the Nogovernmental organizations, interpolation of communication/distribution, more for Cooperation with Non-governorganizations and for the appoint servants for cooperation with the society organizations: further trait and education for the civil society organizations, formal and legal in the cooperation of the civil society organizations, formal and legal in the cooperation of the civil society organizations, formal and legal in the cooperation of the civil society organizations, formal and legal in the cooperation of the civil society organizations, formal and legal in the cooperation with the civil society organizations, formal and legal in the cooperation with the civil society organizations, formal and legal in the civil society organizations, formal and legal in the civil society organizations, formal and legal in the civil society organizations. 	ants for ortions. Ints for or-actical ractical ractical si for iety of the m-mal list nonthly the Unit mental ed civil civil ning y and implica-	Secretariat General and other administrative authorities	Secretariat General / Unit for Cooperation with the Non-governmental Organizations

organizations, formal and legal implication of laws related to the civil society organizations, as well as the acts drafted

■ Coordination on behalf of the Ministry for local self-government for exchange of experiences between central and local

as a result of this Strategy.

level.

Results	Measures	Activities	Time Frame	Respon	s. Instit.
GOAL 5: INVOLVEMENT OF THE CIVIL SEC Involvement of the civil sector in defining policy and l Active engagement and contribution of the civil service organizations in its full capacity in the process of drafting and implementation of national development plans and relevant strategic documents. The Government supports the process of capacity building for the civil service organizations through the implementation of the IPA instrument.	TOR IN THE PROCESS OF EU INTEGRAT	TION	2007 - 2011	Secretariat for European Affairs, Secretariat General	Secretariat General / nit for Cooperation with the Non-governmental Organizations

Results	Measures	Activities	Time Frame	Respon	s. Instit.
GOAL 6: PROVISION OF MORE FAVOURABL	E CONDITIONS FOR SUSTAINABILITY O	F THE CIVIL SERVICE SECTO	R		
Upgrading of the framework for direct state financing	3				
 Upgrading of the framework for direct state financing Transparent and consistent allocation of resources from the Budget of Republic of Macedonia, the lotteries and entertainment games as well as from other sources. The civil society organizations share equal access to public resources, a fact that amplifies financial sustainability of the civil society organizations. The support is above all directed towards activities aimed to satisfy the citizens' needs. The civil society organizations utilize the resources more responsibly, the accountability practice is more exercised as well as the transperency in their operations, resulting in easier monitoring and assessment of the performance of financed activities. The civil service organizations have an equale access to state funds for delivery of social services. 	 Adopting a new Decision for the criteria for allocation of resources from the budget, the lottery, entertainment games as well as other sources, containing clearly defined principles and criteria. Monitoring of the implementation of the Decision. Amendments to the Law on Lottery. Creating mechanisms for cooperation 	 Identifying the actors, their muttive relations, the priorities, as well at the comparative analysis. Public debate. Setting up an inter-sector working group for drafting the Decision. Setting up an inter-sector working group for drafting the amendment to the Law on Lotteries. Setting up an inter-sector working group for involvement of the cives society organization for delivery social services. Technical support for the process of drafting the Decision and the mechanisms. Preparation of practical material Plan for Monitoring of Implementation and Assessment. Compiling a data base for the cives ociety associations eligible to acceive resources from the Budget 	ag ag ag ag aits ag il cof 2007 s s. an- vil ce-	Ministry of Finance, Secretariat General, Ministry of Labour and Social Policy, Ministry of Justice, Ministry of Economy, Agency for Youth and Sports	Secretariat General / Unit for Cooperation with the Non-governmental Organizations

Results	Measures	Activities	ime Frame	Respons. Instit.
 Development of a more favorable tax and fiscal sugar Develop mechanisms for self-financing on behalf of the civil society organizations and the generated income is used to implement statutory activities and strategic goals. Improved legal framework for financial operation of the civil society organizations Tax laws are approximated with European practices 	 Amendments to the tax laws (income, VAT and personal income) and other laws influencing the work of the civil society organizations, an action improving the access to resources. Amendments to the Law on Accountancy for the non profitable organizations, in or 	 Identifying the actors, their mutual lations, the priorities, as well as the comparative analysis. Analysis on the implementation of Law on Accountancy. Public debate. Setting up an inter-sector working group for drafting the amendments the tax laws and the Law on Accountancy. Technical support for the process of drafting the amendments to the tax laws and the Law on Accountancy. Preparation of practical materials Plan for Monitoring of Implementary 	he 2007- 1- 2009	Ministry of Finance, Secretariat General, Ministry of Jabour and Social Policy, Ministry of Justice, Ministry of Economy, Agency for Youth and Sports Secretariat General / Unit for Cooperation with the Non-governmental Organizations

Results	Measures	Activities	Time Frame	Respons. Instit.				
Promoting philanthropy								
 Civil society organizations understand and appropriately apply the philanthropy principle. Legal entities and natural persons are financially stimulated to support activities of the civil society organizations and to contribute to the development of the civil sector. The Government, the legal entities and the civil society organizations cooperate and mutually contribute to the development of the community and mobilization of privately obtained resources. 	 Amendments to the Law on Donations and Sponsorship in Public Affairs Monitoring the implementation of the Law Support to the programs for socially responsible enterprises. 	 Analysis on the implementation Law on Donations and Sponsors Public Affairs. Public debate. Setting up an inter-sector working group for drafting the amendmenthe tax laws and the Law on Acctancy. Technical support for the process drafting the amendments to the tlaws. Preparation of practical material Plan for Monitoring of Implementand Assessment. Common inter-sector organization events related to the promotion of philanthropy and social responsitions. 	2007 - 2008 (intensely) 2009 - 2011 (continuous monitoring)	Ministry of Finance, Secretariat General, Ministry of Labour and Social Policy, Ministry of Justice, Ministry of Economy, Agency for Youth and Sports Secretariat General / Unit for Cooperation with the Non-governmental Organizations				
 Promoting voluntary work Improved conditions and framework for voluntary work. Expanded citizens' activities and participation in voluntary problem - solving practice in the community. 	 Drafting a Law on Voluntary work. Drafting a Strategy for Promotion and Development of Voluntary Work. Monitoring the implementation of the legal provisions. Monitoring the implementation of the plan. 	 Identifying the actors, their mutrelations, the priorities, as well a comparative analysis. Public debate. Setting up an inter-sector working group for drafting the Law and pration of the Strategy and Action for Implementation. Technical support for the process drafting the Law, the Strategy and Action Plan. Preparation of practical material Plan for Monitoring of Implementation and Assessment. Promotion of voluntary work 	as the as the continuous monitoring) 2007 – 2008 (intensely) 20 - 2011 (continuous monitoring)	Ministry of Finance, Secretariat General, Ministry of Labour and Social Policy, Ministry of Justice, Ministry of Economy, Agency for Youth and Sports Secretariat General / Unit for Cooperation with the Non-governmental Organizations				

Results	Measures	Activities	Time Frame	Respons. Instit.
Results	Wicasures	Activities	Time Frame	Respons. Histit.
GOAL 7: CONTINUOUS DEVELOPMENT OF	THE CIVIL SECTOR			
Continuous development of the civil sector and its c	capacity building			
 The citizens recognize the cooperation of the Government with the civil sector and the activities undertaken thereof. The sector actively contributes to the development of the community and fulfillment of the citizens' interests. The citizens recognize the positive influence of 	 Initiating development of the civil sector, especially outside the boundaries of the capital and in the rural areas. Plan for support of activities significant to the sector by the means of open and transparent process of cooperation with all stakeholders. 	■ Research of the sector; introducing curricula for the development of the civil society and the essence of the existence and methods of operation the civil sector in education; supporting legal advice for development of small civil society organizations, accountancy services	of	nistrative authorities ul/ ernmental Organizations
the civil society organizations in the social context, support and participate in their activities.	 Initiating cooperation and involvement of the media in the functioning of the civil society organizations by continuous monitoring of 	 Support for the processes in the civil sector regarding activities for self- 	il 2007 -	r admini General on-gover

- The Units of the local self-government recognize the importance of the Strategy by the means of a systematic involvement of the civil society organizations in their work and while reporting to the citizens, include the activities of the civil society organizations on the local level.
- organizations by continuous monitoring of their activities.
- Devising communication networks for sharing positive examples of mutual coperation with the units of the local selfgovernment in order to motivate the development of the local civil society organizations, especially outside the capital and in the rural areas, to promote institutionalization and cooperation on a local level.
- organization in networks and platforms.
- Analysis of the up-to-date cooperation with the media and the units of the local self-government.
- Public debate.
- Technical support for the process of drafting plans and networks.

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