



# Weekly Briefing

**North Macedonia political briefing:  
Sluggish Progress in Public Administration Reform observed in the  
2020 EC Progress  
Report  
Gjorgjioska M. Adela**

## **China-CEE Institute**

Kiadó: Kína-KKE Intézet Nonprofit Kft.  
Szerkesztésért felelős személy: Chen Xin  
Kiadásért felelős személy: Huang Ping

 1052 Budapest Petőfi Sándor utca 11.  
 +36 1 5858 690  
 [office@china-cee.eu](mailto:office@china-cee.eu)  
 [china-cee.eu](http://china-cee.eu)

# **Sluggish Progress in Public Administration Reform observed in the 2020 EC Progress Report**

*Each year the European Commission adopts individual country progress reports as part of its package on “EU enlargement”. The reports provide an assessment of the state of play in individual candidate countries and potential candidates, setting out the way forward in terms of the EU accession process. On October 6th the 2020 progress report for N.Macedonia was published. It stated that the country is “moderately prepared” to reform its public administration, which is grade 3 on the 5 tier marking scale used by the Commission, the same mark given in the 2019 Progress Report, indicating that no progress has been achieved in this issue area.<sup>1</sup>*

The day after the publication of the report, European Commissioner for Neighbourhood and Enlargement Olivér Várhelyi started his regional tour in Skopje. In his address to the Parliamentary Assembly, Várhelyi stated that “the Western Balkans are a priority for the EU and especially for this Commission. The future of the whole region lies in the European Union and it is in our strategic interest to bring the region closer to the EU, as it is your strategic interest to join the EU.”<sup>2</sup> With regards to the accession process of N.Macedonia he reiterated that “further efforts are needed to ensure full respect for the principle of transparency and meritocracy in the Public Administration Reform”.<sup>3</sup> Finally, the Commissioner announced “The Economic and Investment Plan for the Western Balkans”, a comprehensive investment package aimed at spurring long-term economic recovery of the region and its convergence with the EU. The successful implementation of the Economic and Investment Plan will be strongly conditioned by the internal political situation and the rule of law in the target countries across the region. Progress in the area of public administration reform in particular will determine the domestic capacity to implement concrete steps necessary to implement the policy efforts

---

<sup>1</sup> <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-north-macedonia-report.pdf>

<sup>2</sup> [https://ec.europa.eu/commission/commissioners/2019-2024/varhelyi/announcements/address-commissioner-oliver-varhelyi-parliament-north-macedonia\\_en](https://ec.europa.eu/commission/commissioners/2019-2024/varhelyi/announcements/address-commissioner-oliver-varhelyi-parliament-north-macedonia_en)

<sup>3</sup> Ibid

stemming from the Economic and Investment plan. The way in which the European Commission will be able (or not) to direct the interaction between the two processes (the Economic and Investment Strategy and Public Administration Reform), will determine whether they will lead to mutually reinforcing or mutually undermining outcomes.

### **Public Administration Reform in the 2020 Progress Report**

Six key issues for public administration reform are tracked by the European Commission as part of its assessment of the general progress made in the area.<sup>4</sup> The first area “Strategic framework for public administration reform” focuses on the political commitment to the reform process, including political leadership and technical coordination. The 2020 EC progress report underplays the general absence of concrete reform steps. For instance, it states that “a number of state institutions and civil society organisations were proactive in the implementation, monitoring and reporting of the 2018-2022 public administration reform strategy” without providing examples on the substance of this “proactivity” and its concrete outcomes. Moreover it states that the “high level Public Administration Reform Council and the Public Financial Management Council continued to ensure the political support for and supervision of reforms” without explaining why no progress has been achieved if indeed political support for reforms has been ensured. Furthermore, it finds that the capacity of both the Ministry of Information Society and Administration to drive reform at the technical level and the capacity of the Ministry of Finance to coordinate the reform coordination have increased. However, severe under capacity of both institutions mean that small improvements are unlikely to yield the much-needed and long overdue changes, a conclusion which is further pronounced by the reduced funds for public administration reform as a result of budget reallocations due to Covid 19.

The Report found several shortcomings in the second area of focus “policy development and coordination”, which includes the coordination at the centre of government, inter-ministerial coordination, policy development and financial analysis. It observed overlaps in responsibilities of policy-making institutions, insufficient level of policy planning, absence of central coordination and quality control role, as well as absence in the use of data in the decision-making processes. Furthermore it found that “a number of laws were promulgated by

---

<sup>4</sup> <http://www.sigmaxweb.org/publications/Principles-of-Public-Administration-2017-edition-ENG.pdf>

Parliament without impact assessments and public consultations”, highlighting that a number of laws (61,6%) were adopted under shortened procedures (failed to undergo a proper public consultation and did not include impact assessments).

With regards to the third area “Public service and human resources management, which includes depoliticisation, merit-based recruitment and promotion, training and professionalisation, the Report pointed out several key weaknesses. For instance it found that the Law on Administrative Servants and the Law on Public Sector Employees, aimed at ensuring merit based recruitment and fair promotions and dismissals, are not systematically applied across the administration. It also noted a long-standing issue, which undermines the principles of merit and effectiveness. Namely, 1300 public employees who were recruited years ago as a result of the Ohrid Framework Agreement (and its provision for positive ethnic discrimination of ethnic Albanians) continue to receive a salary without having to show up for work. This practice, in addition to contributing to the overstaffing and the under-performance of public administration has also resulted in the discrimination of smaller ethnic minorities, which is also noted in the report.

Under the fourth area “accountability of the administration” the report notes the need for improvements in the administration’s efficiency and lines of accountability. Moreover, it considers a major limitation to be the failure to delegate to middle management resulting in centralisation at both central and local level, and the absence of mainstreamed managerial accountability across the whole public administration.

In the fifth area “service delivery” the report finds that “the appeal procedure for citizens’ right to administrative justice remains onerous, complex and lengthy, comprising several appeal layers and numerous repetitions of procedures”. Moreover, it finds that simplifying administrative procedures has remained difficult, not least due to the failure of state institutions to use the e-portal for service delivery. Under the sixth area “Public financial management” the report finds that some steps have been made for improved budget transparency through initiatives such as the ‘citizens’ budget’ and the ‘open finance’ portal also went live, providing the general public with detailed information on all budget users’ transactions (at central level).

The 2020 progress report concludes that the new government should ensure that the public administration reform remains a priority, demonstrate full respect for the public administration reform principles and follow on the reform efforts of the previous government.

### **Public Administration Reform: From theory to practice**

Already in 2017, the Government established public administration as a strategic priority in its work programme: “The Government of the Republic of Macedonia will work on creating a professional and efficient, accountable and transparent administration that will deliver quality services to citizens and the business sector and will protect their rights. By applying the principles of fairness and professionalism in the process of employment and objectivity in promoting and rewarding public administration employees, the Government of the Republic of Macedonia will create an administration that will be free from party influence and will be committed to solving the problems of citizens and business entities, complying with the principles of legality and impartiality in the exercise of their duty.”<sup>5</sup> Although the period under discussion has already passed and the (same) coalition Government is now undergoing its second mandate no tangible progress can be reported in the area of public administration. The Coalition Government itself sends contradictory messages with regards to its tactical efforts aimed at reforming the public administration. Thus, whilst the Prime Minister Zaev has signalled his intentions to reduce the over-staffed public administration, others have continued to push for new ethnic based employments in the public administration. For instance, in October several days after the publication of the EC progress report, First Deputy Prime Minister of the Political System Artan Grubi, announced that 800 new vacancies in public administration will be opened, 640 of which will be filled by candidates from the ethnic-Albanian community.<sup>6</sup>

In view of this discrepancy between words and deeds, the assessment by the European Commission of moderate levels of preparation in the area of public administration reform, can even be characterised as too generous. The continuous absence of concrete progress in the area can be attributed to the absence of both political will and political skill in implementing

---

<sup>5</sup> [https://mioa.gov.mk/sites/default/files/pbl\\_files/documents/strategies/par\\_strategy\\_2018-2022\\_final\\_en.pdf](https://mioa.gov.mk/sites/default/files/pbl_files/documents/strategies/par_strategy_2018-2022_final_en.pdf)

<sup>6</sup> <https://makpress.mk/Home/PostDetails?PostId=375078>

necessary reforms, which are hugely consequential for the overall governance of the state and its ability to provide public services to its citizens. At the same time, the stagnation in this area serves to illustrate that the political establishment in the country more often than not chooses to sacrifice the implementation of crucial institutional reforms at the expense of short-term party-political interests.