



Analytica Annual Report 2008

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I. Research Activities in 2008 by thematic issues

1.1. Reports-executive summaries of all reports

Policy Analysis and Administration programme:

“Introducing Career – based system in Civil Service”: This report, as part of the public administration programme of Analytica, and as continuation of earlier reports in the area, aims at offering descriptive analysis to the policy makers on “career-based” system, its characteristics and refers to its applicability to Macedonian civil service. The report also observes possible risks and detects critical areas that might jeopardise the successful implementation of career system.

“Lessons Learned on Effective Public Administration in Macedonia”: This report is a continuity of the series of reports that Analytica’s Public Policy Analysis and Administration Program publishes in tackling PA related issues. The purpose of this report is to provide recommendations that would lead to Public Administration System’s effectiveness in Macedonia. Deep analysis of the current situation in every field helped in creating a clear image on what has been achieved until now and what further steps should be undertaken in order to improve performances of the PAS. The provided recommendations represent the core elements of this report.

EU Approximation and Integration Advocacy programme:

“Employment and Social Policy: Progress with EU Approximation in Macedonia”: This report focuses on two aspects of EU approximation in the area of employment: the first section identifies the key reasons behind the problems encountered with approximation to EU standards in this field, while the following section looks into potential measures and policy solutions that can be undertaken in order to achieve greater progress with EU approximation.

“Social Policy in Macedonia: Progress with EU Approximation”: This report looks and evaluates the current status quo in Macedonian social sphere and notes the progress that Macedonia made in reforming its social policy according to EU standards. Noting the recent outburst of media stories about socially disadvantaged and vulnerable groups suffering exclusion and crime, this is also an effort to incite public debate on the state of social policy in Macedonia and encourage further efforts for improving the social services to citizens.

“The Enlargement of the EU to Balkans”: This publication is a compilation of four reports on the Balkans published since 2000. They all concern the Balkan region and its prospects for the future – away from violent legacies towards peace, stability and European integration. As such, they are a valuable source for all those interested in and studying the recent political developments in this region, for these reports give an overview of the challenges that Balkans states faced on the start of their journey to European integration.

Agriculture, Rural Development and Environment:

“Composting in Macedonia- Sound alternative or just a rotten idea?”: This report gives background information on biowaste management, and in particular on composting as added value to traditional waste management with an overview of the current Macedonian policy framework on composting practices. It further discusses the extent to which Macedonian legislation is aligned with the EU standards. The report offers possible solutions to current and future challenges regarding the biowaste issue, thus increasing its importance enough to have it well covered by legislation and the relevant programs for environmentally sustainable development of the country.

Energy and Infrastructure:

“Macedonia Needs a Power Plant: A Reality or Near Future”: The aim of the present study is to show that, strategically speaking, Macedonia is in need of building a nuclear power plant and that it stands as important location for building the nuclear centre which will meet the needs of Western Balkans and even wider region of Southeast Europe.

“Natural gas – an energy necessity for Macedonia: Overview of the Macedonian energy potential”: This report advocates the stance that in the time of energy crisis, price turbulences on the global oil market, and electricity import dependence, natural gas is the most favorable energy option for achieving long-term energy stability and sustainability in SEE and specifically in Macedonia. By giving a comprehensive analysis of the natural gas market in Macedonia as a case study for the region of SEE, we aim to underline the importance of the natural gas for the energy future of the country and the region.

“Gas pipelines and Regional challenges: Assessment of the Macedonian role in the SEE natural gas market”: Following the conclusions of the Analytica’s report “Natural gas – an energy necessity for Macedonia: Overview of the Macedonian energy potential” the aim of this report is to offer suggestions of best energy policies for development of the natural gas sector in Macedonia and best strategies towards connecting to the network of natural gas pipelines in the Southeast Europe.

“Renewable energy in Macedonia - Focus on ‘green’ electricity production”: The aim of this policy paper is to offer a set of recommendations for promotion of the RES in the energy market in Macedonia. Outlining the discrepancy of the energy potential of the RES in Macedonia and the level of their exploitation in the country, the accent of the policy analysis is put on the electricity market and the prospects for generation of “green electricity” from renewable energy sources in Macedonia.

Education and Culture:

“How to Achieve Quality Higher Education in Macedonia”: Considering the reform of the educational system to be of significant importance for the EU approximation process, Analytica has initiated this research in order to generate information on, and analyses of the

effect of government policies on the development of HE sector, monitor the formulation and implementation of these policies and identify the gap between policy (governmental and institutional) and practice. The final goal is to argument number of recommendations for improvement and further sustainable development of the HE system in the country.

1.2 Policy Briefs-brief summary

EU Approximation and Integration Advocacy programme:

“Macedonia and the Western Balkans Awaiting the 2008 EU Progress Reports: Back to Basics”: Before the EU 2008 Progress Report, Analytica wanted to look deeper at the developments of the EU-Macedonian relations, in order to answer the question of the Macedonian preparedness for opening of the EU accession negotiations. The difficulties faced with regards to political reforms, such as lack of political dialogue between the government and opposition has decreased the likeliness that Macedonia will start accession talks in the years to come unless there is consolidated reform process..

Foreign and Security Policy programme:

“A NATO solution for Macedonia”: This brief looks at the Macedonian position before the NATO Bucharest Summit in April 2008 and gives recommendation tackling the outcomes of the different scenarios for the NATO membership of Macedonia.

1.3 Newsletter

Since April 2007 Analytica is publishing its EnlargeEU newsletter, first on a weekly and later on since 2008, on a monthly basis. In 2008 twelve issues have been published, on diverse topics from the social, political, economic, environmental and energy field. With upgraded format the newspaper offers a solid ground also for the foreign readers to get familiar with the most burning issues in the Macedonian society. It is our practice to disseminate an email with the information and link to the Newsletter to hundreds of email addresses. For all interested in the Analytica Newsletter there is a possibility to subscribe and to receive the Newsletter in the future. “EnlargeEU” Newsletter has become a considerable tool for Analytica’s promotion and increased visibility. (*Annex 1 – Sample of the newsletter*)

1.4. E Journal

In 2008 Analytica launched the first edition of its e-Journal “ANALYTICAL”. Analytical focuses on studying and analyzing the recent and ongoing socio-political and economic developments in the Western Balkans and the wider region. The journal includes contributions – articles, opinions, comments - that approach the subject area – countries of the Western Balkans – from various perspectives: political, IR, economic, historical, sociological, educational, etc. So far two issues were published in 2008. The topic of the first issue of Analytical, which came out in June 2008, was **The Western Balkans – part of the**

EU? The main focus of the issue is on the ongoing debate about the progress of EU integration efforts in the states in the Western Balkans as well as their prospects of joining the EU. Despite all other political developments taking place in the region, EU integration remains the most important foreign policy goal of the states in the Western Balkans. The second issue of *Analytical* from December 2008 was devoted to environmental issues, as a logical step to complement the other activities undertaken in the Environment and Agriculture programme. The topic of this issue of *Analytical* is **The Environmental Challenges in Developing Societies** – a topic of sufficient latitude to encompass the different types of environmental challenges faced in developing states as well as the variety of potential answers to those challenges. The papers featured in this issue of *Analytical* display the wide range of aspects students and practitioners take when discussing environmental challenges. (*Annex 2- Analytical Issue I and Issue II*)

1.5 Field research activities-interviews; institutions, experts...etc.

Field research is very important for *Analytica*, as a research institution aiming to produce high-quality research reports, policy briefs and analyses. In its research, *Analytica* combines theoretical knowledge and field research data to give a complete account and thorough analysis of the issue in focus.

In 2008, *Analytica* staff conducted field research in several institutions and organizations relevant to the areas of research. Major part of field research goes to expert and elite interviews, but archival search was also frequently used. Our Research Fellows have conducted interviews with experts and high-level civil servants in the General Secretariat of the Government, the Secretariat for European Affairs, the Civil Servants Agency, Ministry of Economy, Ministry of Environment and Urban Planning, and other ministries and directorates of the government, representatives of the embassies in the country, representatives of IGOs and NGOs., etc. Moreover, interviews and archive search were conducted with academic experts and institutions, as well as with international organizations and their staff. The various backgrounds of interviewees contribute to the plurality of opinions and ideas used in preparing *Analytica*'s publications.

1.6 Papers published or delivered at international conferences and participation

Apart from publishing electronic version of reports on *Analytica*'s web-site and electronic distribution of those, *Analytica* also relies on participation on international conferences to present its findings and discuss and share ideas with other researchers and organizations working on similar topics. In 2008, members of *Analytica*'s staff attended numerous home and international conferences, seminars and trainings as listed below:

- Young Faces Conference, organised by Lund University and European Foreign and Security Policy Studies Programme of Compagnia di San Paolo, Riksbankens Jubileumsfond, and VolkswagenStiftung foundations, January 2008, Lund, Sweden.
- Young Faces Conference, February 2008, Belgrade, Serbia.

- Financial Management for NGO's, February 2008, Skopje, Macedonia.
- *Publication*: "Regional Identity: The Missing Element in Western Balkans Security Cooperation " in *Western Balkans Security Observer*. No.7-8, (October 2007 – March 2008). pp.82 - 90.
- The Role of Female Security Experts in Countering Terrorism, organized by ICDT, Budapest, Hungary, March, 2008, Sarajevo, Bosnia and Herzegovina.
- Second Annual Research Conference at AUBG , Young Researchers Workshop, April 12, 2008, Blagoevgrad, Bulgaria. (Paper presented: *Regional Identity: Missing Element in Regional Security Cooperation*)
- The role of young politicians in securing and promoting democracy and stability, organized by Atlantic Association of Young Political Leaders, 02 - 03 May 2008 Tirana, Albania.
- Conference: Macedonia - model pupil of the Balkans, organized by Austro - French Centre for Rapprochement in Europe, IFRI and European Movement, May 5-6 2008, Skopje, Republic of Macedonia. (Paper presented: *Regional cooperation under Construction*)
- Think and Link Regional Seminar, organized by European Fund for the Balkans (EFB) and European Stability Initiative (ESI), 22-24 June, 2008 Zagreb, Croatia.
- 4th Annual Regional Seminal for Young Political Leaders, 11-13 June, 2008, Belgrade, Serbia.
- 10th Annual Conference of PpP Consortium of Security Studies Institutes and Academies, PpP Consortium of Security Studies Institutes and Academies, 17-19 June, 2008, Brussels, Belgium.
- Halki International Seminar - "Regional Flashpoints and Transatlantic Policies", ELIAMEP – Hellenic Foundation for European and Foreign Policy, 25-29 June 2008, Halki Island, Greece.
- International Symposium "The Wider Black Sea Area in Perspective", ICBSS – International Center for Black Sea Studies, 01-06 July 2008, Kalymnos Island, Greece.
- Course of Specialization in Agricultural and Rural Development Policy Analysis in the Western Balkan Countries, 13-27 July 2008 Porretta Terme, Italy (Papers presented: "Multifunctionality of the Agricultural Sector in the perspective of Biodegradable Waste Management in the Republic of Macedonia: Outcomes of the Pilot Study for home composting of biodegradable waste in the Municipality of Gazi Baba".)
- Protecting Human Rights and Minority Rights in Europe, 10 September 2008, Konrad Adenauer Stiftung, Skopje, Macedonia.
- Safeguarding Human Rights through Procedural Law, Konrad Adenauer Stiftung, 11 September 2008, Skopje, Macedonia.
- Short Course on Energy Efficiency and Renewable Energy Sources, October-November 2008, Technische Universität Dresden, BMU, UNEP, UNESCO, Dresden, Germany. (Presentation on: "The energy market of Renewable Energy Sources in Macedonia: current situation, challenges and strategies".)

- Fellowship on the context of Security Sector Reform in the Western Balkans, October – December 2008, Centre for Civil-Military Relations and Belgrade School for Security Studies, Belgrade, Serbia.
- Communicate it: From quality policy research to innovative communications to shape the policy agenda, workshop held on October 21-22, 2008, Prague, Czech Republic.
- International conference on “From 'Fortress Europe' to Europe Without Barriers?” Priorities of Czech Presidency in EU External Relations: Transatlantic Perspectives, co-organized by EUROPEUM and PASOS under the auspices of the Minister for Foreign Affairs, 20 October 2008, Prague, Czech Republic.
- Course on Local Sustainability and Action, 2-9 November 2008, organized by REC and VIU-Venice International University, San Servolo Island, Venice, Italy.
- Workshop on SEE Transnational Cooperation Programme, in organization of the Ministry of Self Local Government, 12.11.2008, Skopje, Macedonia.
- How Can Independent Research Centres (Think-Tanks) Be Successfully Involved in Security Politics?, organized by CCMR, 4-5 December, 2008, Belgrade, Serbia.
- ICT in education, 10.12.2008, Skopje, Macedonia.
- International Forum-Energy Efficiency and Regional Cooperation, organized by MANU, Ministry of Economy and MACEF, 12 December 2008, Skopje, Macedonia.

1.7 Internship program

In 2008, Analytica continued with the excellent practice of developing and strengthening its Internship Programme which proved to be very attractive programme for students, both international and home students. Applicants were selected for residential and non residential internships and worked on selected research topics under the supervision of appointed research fellows, the internship coordinator and the research coordinator at Analytica. Four full internship cycles took place in 2008, through which Analytica hosted 6 residential interns and accepted more than 20 non-residential ones.

Graduate and undergraduate students from France, the Netherlands, Germany and Macedonia resided in Analytica's office in Skopje. Their research topics included: the energy efficiency on local level, relations between NATO and Macedonia, the educational reforms in Macedonia, the difficult road of Macedonia in the international community etc. Apart from research, Analytica's interns had the chance to discover Macedonia and the region, travel, establish contacts with Macedonian institutions and think-tanks. They also got a first-hand experience in working with think-tanks and most remained in touch with us.

Analytica's residential interns are strongly encouraged to conduct field research while preparing their reports. During their three-month stay in Macedonia, residential interns use the opportunity to establish contact and familiarize themselves with Macedonian institutions. In 2008, majority of residential interns engaged in field research while in Macedonia,

interviewing representatives from the Government and various ministries, political parties, international organization, local and national NGOs, EU Delegation officials, diplomats, etc.

Non-residential interns also made a significant contribution to Analytica's work, especially in relation to Analytica's research activities. Non-residential interns were given a list of topics from which they chose the topics of their reports. The list of topics, prepared by Analytica, contains themes relevant to our fields of research, and thus the work of the interns was incorporated in Analytica's research endeavours.

Potential internship applicants can find useful information about Analytica and our work, the purpose of the Internship programme as well as information about life in Skopje, Macedonia and the region. The web-site contains information on the Internship programme's application process, deadlines, internship cycles, as well as comments from interns in past internship cycles. This web-site can be accessed at: www.analyticamk.org/interns.

II Institutional growth

II.1 – Opening of new research programmes

In 2008, Analytica has experienced an important institutional development, by opening three new research programmes, therefore widening its research objectives in new policy areas like energy, environment and education. In each of the respective programmes of Energy and Infrastructure, Agriculture, Rural Development and Environment, and Education and Culture, new research fellows were employed, which had a positive impact on the strengthening of the human capacity of our organization. The main outcomes of these programmes in 2008 were policy reports, five in total, in-house lectures and other public events. With the new programmes Analytica increased its visibility and advocacy capacity within the ministries and other stakeholders in the relevant area. It also has led to development and expansion of the network of Analytica in Macedonia and in the wider region.

II.2 Staff Alumni

Besides the work of in-house researchers and staff, the institutional development of Analytica also depends on the Alumni network that we develop throughout the years of our work. In 2008 our Alumni network was broadened with two of our research fellows, who have continued with their academic and professional advancement.

II.3 Internal Trainings

Aiming to set up a practice of permanent 'transfer of knowledge', as well as to promote training and workshops as a tool for Human Resources development, Analytica launched a series of Internal Trainings intended mainly for Analytica staff and management members who are interested and who want to share their knowledge and experience with others. In 2008 we had an extensive number of quality internal trainings in Analytica, like the Research Methodology and Survey design training, where the American experience in policy research and think-tanking was transferred to Analytica's staff. The second important internal training was on fundraising opportunities within the EU financial flows to Macedonia and to other SEE countries.

II.4 Lectures & Events

During the 2008 Analytica continued with the lecture series. The objective of the series of lectures is to bring relevant authorities in various fields, from politics, to economics and science and provide a forum for discussion of issues of general national and regional interest and relevance.

Dr. Nadege Ragaru, a lecturer in Conflict studies at Sciences Po-Paris and Analytica Advisory Board member discussed the institutional development of Analytica and made an assessment of its products, visibility and its wider societal impact. In his lecture on EU common foreign and security policy, professor Dieter Mahncke from the College of Europe offered interesting analysis into latest EU tendencies and especially foreign policy aspects of the Lisbon treaty including discussion in new foreign policy posts.

In September 2008 Analytica was host to a 12 member delegation from the Centre for Civil-Military Relations from Belgrade, Serbia, on which occasion a Memorandum of Understanding was signed. With the Memorandum the previous well established cooperation between the two organisations was formalised.

Within the Project "Building National Capacities: Harmonization, Legislation and Management" supported by "European Fund for the Balkans during 2008 Analytica has organized a series of lectures with experts in environment protection in Macedonia. On the first lecture Ms. Andrijana Veljanoska, Environmental consultant in Tehnolab, Skopje had a lecture on the legislative framework of the Environmental Impact Assessment (EIA) requirements in the Republic of Macedonia. For the EIA in Agriculture talked professor Vladimir Dzabirski from the Agriculture Faculty in Skopje. On the third organized lecture the Local Agenda 21 and Local Environmental Action Plan (LEAP), was discussed by Mr. Samir Memedov, Programme Associate in UNDP Environment Practice and Ms. Kristina Temkova, Collaborator for LED at Municipality of Gazi Baba, Skopje. The panelist at the fourth lecture Ms. Gordana Popsimonova, Institute of Agriculture, Skopje and Mr. Ivan Kungulovski, Director, BioEngineering doo, Skopje, talked for the reduction of source pollution from agro-chemicals and Biological treatment of wastewater& Alternative energy from wastewaters.

Besides organizing lectures in 2008 for the first time Analytica organized the "Analytica Open House" event, inviting Analytica's friends and supporters of our work, but also people that want to become familiar with our work to visit our office, and in an informal and

relaxed atmosphere to have the chance for networking, exchange of ideas and experience among the NGO sector, the governmental institutions and the business sector in the country. Because of the success of the event it was decided that in 2009 Analytica will continue with the practice and organize the second “Analytica Open House” event.

For more information on this, see: <http://www.analyticamk.org/lectures.html> .

II.5 Evaluation Meeting

With the purpose to make an assessment of Analytica overall performance, through evaluation of Analytica products and activities and in order to improve its work and strengthen capacities in the future, in 2008 Analytica organized its first internal Evaluation workshop. The conclusions of the workshop served as guidelines for the development path of the research activities, the products of Analytica the visibility and PR and the management of the organization during the following year.

III Achievements of Analytica

Continuing with the quality on research, enhanced intensity of actions, and an research activities, in 2008 Analytica become an important actor in the civil sphere in Macedonia, with growing impact on the decision-making processes in the country. Considering the specific nature of Analytica’s products – research reports, briefs and analyses, it is difficult to directly assess the impact that Analytica has on the wider policy- and opinion- making community in Macedonia and abroad. Yet, there are several indicators showing that Analytica’s impact is growing and Analytica is gradually building a reputation of a serious research and advocacy institution.

Our reports have been discussed in the ministries and cited by experts and academics on conferences and debates. With the research activities in the new programmes in Analytica, we have succeeded to be one of the pioneers of the policy research in the areas of energy and environment in the country. This had a big impact on the awareness also of the policy aspect – policy analysis and recommendations - in the decision-making processes among the stakeholders in the previously mentioned areas.

Specifically, Analytica’s role in research area by providing balanced analysis of issues with strategic importance has been widely recognized by many stakeholders in various policy areas. Research fellows of Analytica continuously are invited to take part in international conferences discussing challenges facing the region and possible solutions to overcome those. Through this participation, the impact of Analytica’s work has been widening.

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New plastics recycling industry in Macedonia - Truth or Dare?

The production and use of plastics today is 20 times greater than that of 50 years ago and is expected to increase, driven by its potential for innovation and energy saving, positive contribution to climate protection. However, plastics usage has many disadvantages, like the non-degradable nature, whose disposal creates a solid waste problem. EU policy on Waste Management as implemented in the Framework Directive on waste as amended by Directive 91/156/EEC obliges member states to encourage the reduction of waste and its harmfulness. They also must encourage the recovery of waste and prohibit uncontrolled dumping. The revised Packaging Waste Directive EU directive sets targets for recycling and recovery min. 55% and min. 60 % respectively, with end year of achievement December, 2008.

Macedonia lags well behind with the lack of modern technology and managerial expertise on waste management practices, and is currently undergoing an intensive period of legislative development concerning this issue. What are the present conditions of the plastics recycling industry in Macedonia? ***Can the private sector involvement in the waste management reach greater efficiency than the public enterprises regarding waste recovery and recycling?***

Challenging conditions

The capacity for recycling, reuse and recovery of plastic packaging is very limited, with rate of recycling only 0.01%. According to the newly adopted Waste Management Strategy of the Republic of Macedonia (2008-2020) the recovery of many types of potentially recyclable materials (metals, paper, plastics, car batteries and accumulators, waste oils etc.) is not financially viable under the prevailing conditions: lower waste volumes, lower waste fees, higher costs of operating on relatively smaller scale and limited local markets for recyclables that contribute for an increased costs of export for recyclables. These unfavorable conditions are an obstacle for preparation and implementation of the integrated and cost-effective waste management system, regarding waste management recovery and recycling.

In need of encouragement

Data show that mostly the informal sector and private companies deal with collection and recycling of plastics. The cost-effective studies give green light on the private sector for its involvement in the part of managing waste treatment, recovery and recycling. This sector has taken over the resources belonging to the recycling network of former Yugoslavia, and still is not used efficiently due to the costly collection system. However, the implementation of \$1.2 million USAID sponsored Plastic Recycling Project in partnership with the municipalities of Karpos, Gostivar, Kocani and Strumica, as well as public and private waste management companies and NGOs has brought progress in the raw waste management area. The recycling facts for the period 2005-2007 speak for themselves: collection of plastic bottles from start up point of 341 tones in 2005 have increased to 1500 tones in 2006 and in 2007 is estimated to be 3000 tones, and generated exports from bailed and/or processed plastic bottles reached approximately \$1.6 million in 2007. (Source: USAID Plastic Recycling Project)

The potential of the new recycling activities exists, but is facing problems such as: insufficient financial support for vehicles, equipment operation and maintenance costs, difficulties in obtaining appropriate licenses and permits, resolving the issue on unfair competition resulting from illegal collectors, weak public awareness and marketing campaigns, as well as missing support from local authorities for organizing plastic waste collection schemes.

Waste created per inhabitant: 313 kg/inhabitant

Commercial waste: 154.543 t/year (27% of the community solid waste)

Household waste: 417.838 t/year (73% of the community solid waste)

Waste from packaging: 13% from household waste and 30% from commercial waste in total 97.305t/year (17% of the community solid waste)

Total plastic (PET) wastes from packaging (including landfill disposed): 10.748t

Recycled PET waste from packaging: 0.2t

Source: MoEPP, R. Macedonia (2004/05)

EnlargeEU Newsletter is also available at Analytica's blog: www.analyticamk.blogspot.com

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