

# Evaluation of Public Administration Reforms in Macedonia

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## FEW REMARKS ON THE PAR SERIES

Public Administration Reforms (PAR) is a very popular topic of discussion among the politicians and political analysts, the ordinary people as well as the academic (research) community in South Eastern Europe (SEE). Politicians talk about (advertise) PAR in their electoral campaigns, international (external) political actors donate funds, evaluate the progress with PAR and publish relevant reports, academics analyze the effects and advocate further efforts, while the media keep the issue in the spotlight. PAR has become the latest buzz-word in SEE politics, superseding earlier such concepts like market-reforms, human and minority rights, etc. If anything, public administration reforms are not an area suffering from lack of attention.

*So why publish another report concerning the progress of PAR in Macedonia? What would be the value added of such an endeavour?*

First, though everybody discusses PAR, and public administration and governance issues, in general, there is no common understanding of what the concept of PA and the process of PAR entail. Few of the reports and analyses operate with clear definitions of public administration, public sector or public policy. Therefore, the conceptual inconsistencies need to be clarified and one of the purposes of this paper would be to contribute to this end.

Then public administration is an unusually wide concept, cutting through several disciplines, from political science, to law, to management and other related sub-disciplines. Therefore, many different views are not only possible but also commendable regarding PAR. Many different views and perspectives on PAR would provide more available options for consideration, better-quality debate, and eventually better results from the actual implementation of PAR

Finally, the timing seems also very appropriate. At a time when Macedonia, as well as the Western Balkans region, is investing a lot of effort and resources towards EU accession, the progress with reforms required by the EU is an important variable determining the membership prospects. PAR is central to the EU requirements concerning institutional development, capacity building and good governance, and as such deserves additional attention by the decision-makers as well as the research community in Macedonia. In that respect, by evaluating the progress of reforms, identifying problematic issues and providing recommendations for future activities, these series aim to contribute to the better quality of PAR in Macedonia, but also to the overall EU integration efforts of Macedonia.

What follows is first, a brief general overview of the progress of PAR reforms in Macedonia and evaluation of PAR against the requirements and standards set by the EU in its legal instruments vis-à-vis Macedonia. The purpose of this overview is informative and aims to familiarize the reader with the current situation in Macedonia regarding PAR. The next will tackle separate issues identified as problematic or controversial in the PAR process in Macedonia: problems with Human Resource management in the public and state administration, the challenges of horizontal coordination and communication between different institutions and bodies of Macedonian public administration.



## Defining Public Administration

It is a common practice in social sciences to claim a concept too wide or too contested to provide a single meaningful definition for it. Democracy for example, or nation, or power; there are plenty of definitions for each of these concepts, and some even contradictory to others. Public administration is a similar such case. No single definition appears capable of accommodating the various different views on what PA is. If such definition is found it usually is too wide/general to be useful. For instance, public administration in the widest sense is often defined as “whatever governments do, for good or ill”<sup>1</sup>. Though true, this definition can hardly be applied when analyzing the progress of PAR. It is too inclusive and does not allow for a critical look on what the government does. Therefore, other ways of defining public administration are necessary for the task at hand.

Another way to define public administration would be to list all the different elements that add up to public administration. Thus, public administration consists of the civil service, public finance, security, judiciary, local government, and many other elements. This is a descriptive definition and one gets an idea about how large the scope of analysis would be when embarking upon public administration studies. Yet, seeing public administration as a list of different institutions and services hardly assists a standardized/coherent look on the trends and processes. Therefore, as simple solutions to complex issues appear impossible, at least in this case, we will have to resort to a more complex definition.

Shafitz and Russell advance a multi-part mega-definition of public administration, where they define PA from four different perspectives: political, legal, managerial

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<sup>1</sup> J. M. Shafritz and E. W. Russell, *Introduction to Public Administration*. 2<sup>nd</sup> Ed. (NY: Longman, 1999).

and occupational. Thus, to summarize shortly their discussion,<sup>2</sup> from a political viewpoint, public administration is what governments do, directly or indirectly, in the public interest through the policy-making cycle. Legally, public administration can be defined as both regulation and law in action; while from managerial perspective, it is seen as the executive branch of government requiring management specialty based on both natural talent and continuous efforts. Finally, public administration is also seen as an occupational category requiring good writing skills, a strong doze of idealism and often formal academic training. Combining the different elements of the definition outlined above one gets a clearer idea of what public administration is, and what to expect when analyzing it. This is also what will be kept in mind throughout this, and the following, brief when discussing, evaluating and recommending PAR.

Finally, since the subject of our discussion is the PAR in Macedonia, we should take into consideration the operational definition of public administration that the Government of Macedonia applies when designing and conducting PAR. The 1999 Strategy for PAR, the key document which is the basis for the entire PAR process in Macedonia, does not provide a clear definition of what public administration is. It only distinguishes between the public administration and the civil service (state administration), the more narrow concept with which public administration is often confused. Thus, functionally, all those who perform duties related to the executive, legislative and judiciary branches of government belong to the civil service, while those working in other public sectors, such as culture, health, education etc. are members of the public administration.<sup>3</sup> This is a useful distinction, one to be kept in mind throughout our discussion below.

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<sup>2</sup> For a more detailed discussion see Chapter "Defining Public Administration" in J. M. Shafritz and E. W. Russell, *Introduction to Public Administration*.

<sup>3</sup> „Strategija za reforma na javnata administracija vo Republika Makedonija“ Vlada na Republika Makedonija. Maj 1999. pp. 11-12.

## Context and Legacies

When working on a case-study, like discussing PAR in particular society at a specific time period, one must take into consideration the specific context - the political, economic and historical factors that shape the societal environment, before applying theoretical models and arguments or drawing conclusions. Thus, the specific Macedonian political and economic context as well as the historic legacies to a great extent shape the outlook of the public administration as well as the outcome of PAR efforts. One very important factor informing most of the public administration studies of the East European region is the administrative legacies that communism left on these countries. The specific nature of communism, along with the institutions, ideology and mindset pertaining to it deeply influenced public administration policies and practices in the post communist period that followed. As mentioned often, bureaucracy was one of the strongest pillars of communist power.<sup>4</sup>

### *EU integration*

The most powerful drive behind the PAR efforts in the last several years in Macedonia is the aspiration for European Union (EU) membership. EU membership is one of the strategic objectives of Macedonian foreign policy and many of the domestic policies in Macedonia are adjusted/harmonized with the requirements for EU membership. Thus, EU membership efforts provide an additional incentive for conducting PAR, as that is one of the crucial areas the EU identified as requiring additional reforms. In other words, if Macedonia wants to become an EU member the government will have to introduce and implement all required reforms. That is what conditionality is all about. And it has proven a very powerful instrument of the EU in its relations with the accession countries.

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<sup>4</sup> For a more detailed discussion see for example: Katherine Verdery, *What Was Communism and What Comes Next?* (NJ: Princeton University Press, 1996.)



Yet the EU influence over the domestic reforms in Macedonia is not limited solely on the 'negative' aspect - demanding reforms from Macedonia. There is also a positive side to conditionality - the EU offers assistance to Macedonia to better implement the required reforms. All throughout the pre-accession (and even pre-candidacy) period the EU offers financial and technical/expert assistance to Macedonia. Macedonia has so far benefited from the PHARE and CARDS programs of the EU, and from 2007 the new pre-accession financial instrument IPA. All these, regardless of the targeted reform areas, provided necessary funds and often expert assistance aiming at improving capacities of Macedonia.

Thus, the EU provides a double incentive for PAR in Macedonia. First, through conditionality mechanisms, by conditioning EU accession to fulfilling certain criteria, among which successful PAR. And second, by providing financial and other assistance for successful implementation of PAR, through various pre-accession instruments. It is against this background of combined communist legacy in public administration and EU requirements and funds determining the frame of reforms that this paper analyzes and evaluates the progress of PAR in Macedonia.

## Public Administration Reforms in Macedonia

### *The Legal Frame*

This section is focused on analyzing the existing legislation which provides the frame within which PAR are implemented. The provisions of legislation relating to public administration to a great extent determine the direction and development of PAR. Therefore, Analytica conducted an archival search and analysis of the available legal texts and documents, which is presented in the overview below. The following documents, chosen on the basis of their relevance and importance for the PAR process, were taken into consideration: Government of Macedonia PAR Strategy from 1999, Program for Work of the Government of Republic of Macedonia, the Annual Progress Report of the European Commission, the European Partnership of 2005 and 2006 and the National Strategy for Adoption of the Acquis of the EU. Also, the Civil Servants Law, Code of Ethics as well a number of reports on research conducted by other organizations which tackle PAR issues.

### *Public Administration Reform Strategy from 1999, National Strategy for EU Integration and National Strategy for Adoption of the Acquis of the EU*

The PAR Strategy of the Government from 1999 was the first such organized effort to conduct overall reform of the public sector in Macedonia. The 1999 PAR strategy also set the key terms of the PAR debate in Macedonia, by distinguishing between civil service (state administration) and public administration, based on the functions performed by the two different sectors of the overall public sector. The PAR identified key areas for reform, set the short- and mid- term priorities, as well as the values the PAR process aimed to achieve. These values, though overly general, can also be used as a set of criteria against which to measure the progress of PAR:

- Rule of law
- Transparency
- Competency
- Stability
- Responsibility
- Predictability
- Equal Treatment
- Efficiency
- Ethics

The PAR Strategy clearly stated the link between the PAR and the EU membership aspirations of Macedonia. While quoting domestic reasons as primary, the foreign, EU, factor to the reforms was clearly acknowledged and the two incentives deemed complementary. This is an important moment for PAR in Macedonia, for ever since PAR and EU integration remained linked in the political and public discourse, the one serving as a justification for the other and vice versa. The PAR strategy also served as a blueprint for legal documents adopted later. It outlined a list of laws and acts that were required for successful implementation of the reform. (Most of these laws have been adopted: Law on Civil Servants, Code of Ethics, Law on Remuneration and Awards etc.)

A surprisingly thorough and resourceful document for the time when it was adopted, the PAR Strategy contained provisions for the implementation of its provisions. It provided for the establishment of cross-institutional Commission for Public Administration Reforms, based in the Ministry of Justice, as a coordinating body for the entire reform process, and several Working Groups to tackle the separate issues and problems areas. Presently, the Commission is replaced with the Unit for Public Administration Reforms based at the General Secretariat of the Government, after introducing reforms for better horizontal communication within the government.

### ***Foreign Aid***

Though initially introvert - focused on internal structure reforms of the administration in view of its being both a subject and object of PAR, further stages of the reform include extensive sector and horizontal projects. (Civil service trainings in computer skills, EU legislation and EU programs in different areas etc.) Many of these projects required financial and technical/expert support from foreign donors and governments. The priority areas for PAR are being addressed through bilateral (DFID, NORMAK), multilateral and EU funds (assistance instruments: PHARE, CARDS etc., and twinning projects) along with continuous efforts to avoid overlapping and omission of areas where assistance is required. In that respect, semi-annual donor meetings are organized by the Government (Secretariat for European Affairs, General Secretariat) to coordinate foreign aid for Macedonia. The new financial instrument of the EU for the candidate and Western Balkans states, IPA, also provides assistance for PAR, through the first component - Support for Transition and Institution Building. The aim of the government is to gradually build the administrative capacities to an extent when the need of foreign aid would be diminished and future reforms will be designed and led by the Macedonian administration.

### ***Other Governmental Documents***

PAR was incorporated in many subsequent (strategic) documents of the Government. The National Strategy for European Integration and the National Program for Adoption of the Acquis of the EU, numerous Action Plans and Strategies regarding the Stabilization and Association process (SAP) and European Partnerships and other documents relating to EU integration, as well as Programs for Work of the government, all contained sections or references to PAR. From a legal perspective, PAR was deemed a key reform issue and was well aligned with other government priorities - as such, occupying a very favourable position for potential success.

### ***Stabilization and Association Agreement (SAA) and European Partnership***

While, neither specifically part of the negotiation areas (later chapters) within the European Commission's scope nor embodied in any single piece of EC/EU legislation, public administration is included in all the strategic documents and communication between the EU and Macedonia. As part of the general concern over the development of institutional capacities to undertake the responsibilities of EU membership and apply the EU acquis, PAR receives abundant attention from the EU. The European Partnership documents from 2005 and 2006 outline the priority areas for reform in the short and middle term and both explicitly mention progress in PAR.

The Stabilization and Association Agreement (SAA) and, later, the European Partnerships are of similar strategic importance for the PAR process in Macedonia as the PAR Strategy itself. Although these documents do not contain specific details about the outlook of PA reforms, they set PAR as a strategic priority for the government and link it to the political and economic criteria for accession. Their PA sections are very brief and contain only specific recommendations about where further efforts are required. Their added value lies in keeping PAR under permanent spotlight. By not letting PAR fall down (or off) the agenda of governments, the EU makes sure that sufficient attention and resources are allocated for it. Moreover, through the Annual Progress Reports and European Partnerships the EU constantly monitors and evaluates the progress made with the reforms. Thus, it provides an additional incentive for keeping up the pace and quality of PAR. Considering EU integration is Macedonia's top strategic priority, getting good grades on each evaluation entry is in the interest of the government.

### ***Equitable Representation and Decentralization***

Though not predicted by the initial PAR Strategy and related policies, the Ohrid Framework Agreement (OFA) presented provisions which had to be taken into consideration and incorporated within existing PAR efforts. The OFA introduced a new principle in PAR (and many other areas) - additional efforts to ensure the equitable representation of ethnic communities in the administrative structure, as well as administrative adjustments aiming to improve the status of minorities such as, language and symbol use, education etc. To this purpose, a Sector for Implementation of the Ohrid Framework Agreement (SIOFA) was established in the Government in 2004 - a body in charge of successful implementation of the OFA, which is also responsible for ensuring equitable representation of the members of all ethnic communities in public institutions. Last reports indicate that the desired levels of equitable representation are not yet achieved, as members of minorities are not sufficiently represented in the public institutions.<sup>5</sup> Yet, continuous efforts are pursued in this direction, including continuous trainings of young and prospective civil servants from the minority communities.

OFA also reiterated the need for immediate decentralization of political power. Though reforms of the local government were already incorporated in the PAR strategy, the OFA shed an entirely different light on the issue. The increased powers of local structures of governance were linked to the greater prerogatives of communities to self-govern themselves. Thus, the decentralization-related transfer of responsibilities (in fiscal, educational, and urban-planning areas) gained importance, urgency (and political connotation). The Ministry of Local Self-Government is the governmental body responsible for the process of decentralization, including the fiscal aspects of it, along with the Association of the Units of Local Self-Government (AULS).

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<sup>5</sup> Sector for Implementation of the Ohrid Framework Agreement (SIOFA). Documents: Data Base: The Levels of Equitable Representation of Ethnic Communities 31.08.2006. Available at: [http://www.siofa.gov.mk/doc/Vkupno\\_bez\\_konekcii.xls](http://www.siofa.gov.mk/doc/Vkupno_bez_konekcii.xls)

The distinct influence of the OFA on the PAR process was its rearranging of reform priorities. The fact that respect and implementation of the OFA were elevated to an additional membership criterion by the EU (besides the general Copenhagen Criteria) increased the salience of those issues included in the OFA - equitable representation of communities and decentralization. Thus, through the importance attached to its provisions and the foreign monitoring and evaluation element attached to it, the OFA provided additional incentives for upholding the pace of (a limited field of) PAR.

### ***Institutional Frame***

Another key component of the PAR process is the institutional frame accommodating the reforms. Based on the legal provisions of the strategic documents regarding PAR (PAR Strategy 1999 and subsequent laws) a set of institutions and administrative bodies in charge of PAR has been established. While, the PAR process is horizontal and reforms must be conducted across different government sectors, we only focus here on the largest coordinating institutions involved in PAR: the Government and General Secretariat of the Government (GS) and the Civil Servants Agency (CSA).

### ***Government/General Secretariat of the Government (GS)***

Coordination of PAR is one of the numerous responsibilities of the GS. The Public Administration Reform Unit within the Sector for Policy-Analysis and Coordination is responsible for monitoring, coordinating and updating the process of PAR. Considering overwhelming nature of PAR and extent to which this process affects government structures, this Unit performs a highly demanding task. Especially so, because the GS is also involved in planning and coordination of foreign aid and donor-funded projects in the field of PAR. The GS maintains communication with all ministries, other public institutions involved in the PAR process and with foreign donors, coordinating their work on PAR and ensuring satisfactory pace of reforms across different institutions and channels feedback to the Government.

Considering the GS is there to ensure continuity and logistical support for the work of the government (each consecutive government), one of the main functions of the GS is to provide continuity of the process of PAR. As PAR in Macedonia is not a project to be completed within one government's term, continuity is crucial. Naturally, PAR is accepted as a priority by most (if not all) political subjects in Macedonia, as PAR are linked to EU integration aspirations. Still, it is up to the GS to ensure continuity of quality, pace and integrity of reforms.

Most ministries are also involved in the PAR process. Considering PAR is a horizontal process all sectors of PA must be involved in order to achieve progress. Although the GS coordinates the reforms, each ministry is responsible for implementing reforms within their sector and informing the GS for the progress.

### ***Civil Servants Agency (CSA)***

The CSA was established in 2000, following the provisions of the Law on Civil Servants, to conduct expert trainings, assist policy-making in human-resources field, protect the rights and liberties of civil servants, promote development of the civil service and collect and manage data regarding the civil servants. The CSA runs several very important components of the PAR process: trainings and hiring policies (HR) of civil servants - which are crucial for creating a small yet efficient and modern civil service. To these aims, the CSA creates Annual Programs for Training, runs trainings of civil servants and participates in regional cooperation initiatives.

It also works towards increased transparency and easier access to information for citizens. Through the on-line application process for civil service positions ([prijava.ads.gov.mk](http://prijava.ads.gov.mk)) as well as on-line resources about upcoming trainings, relevant legislation and required forms and documents CSA aims to bridge the (trust) gap between the governance structures and the citizens. A product of PAR itself, the CSA acts as a promoter of further reforms in public administration.



## EVALUATION

### *Government of Macedonia, General Secretariat: Reports on progress of PAR*

Following the 1999 PAR Strategy, the Government is obliged to monitor and evaluate the progress of PAR. Considering it is an extensive and long-lasting process, involving many different institutions and administrative bodies, evaluation of PAR requires significant efforts and resources. There is a Working Group dealing with coordination of PAR reforms consisting of members from different ministries, which should collect and compile information regarding the progress of reforms in different ministries. (This Working Group however does not meet often enough. It has not met for about a year.)

The GS, in 2005-6 issued a general overview/report on the progress of PAR in Macedonia for the period of 1999-2005. This is an extensive document which, against the priorities and steps outlined in the PAR Strategy, evaluates the progress and the problems of conducted reforms and identifies priority areas for further efforts. This report was also used by the GS to design questionnaires to be distributed among institutions affected by PAR and which feedback would later on be utilized for future measures within the PAR process.

The document presents an overview of the main areas of reforms in the public administration and the progress achieved: civil service system, state administration system, the wider public administration system, public finance, protection of civil rights, decentralization, reform of the judicial system, development of information technology system and the redefining image of the state. It evaluates progress and points to areas where further efforts are required.

*EU Documents: European Partnership 2005 and 2006, Annual Progress Report by the European Commission, IPA Funds*

The EU monitors the progress of PAR in Macedonia and regularly evaluates and reports on what has been achieved and what remains to be done in the area. The two main documents reporting on the general progress of Macedonia towards EU membership, the European Partnership and the Annual Progress Report of the European Commission pay significant attention to the progress of PAR. The European Partnership includes public administration in the key priorities for Macedonia. It calls for further efforts in the following areas of PAR:

- increased transparency;
- further depolitization of recruitment and advancement in the civil service;
- greater cooperation between state bodies and Ombudsman; and
- introduction of internal control and auditing at local level of government.

The remarks of the European Commission in its Annual Report on the progress of Macedonia run predominantly along the same lines. Thus, while noting progress regarding training of civil servants, transfer of responsibilities at local level and the quality of public service at local level including the performance of the police as well the public trust in it, the European Commission also outlines areas where additional efforts are required. Those include:

- greater cooperation between government and opposition regarding implementation of related legislation;
- complete re-structuring of the police along the lines of the 2003 Strategy for Police Reform;
- developing mechanisms for internal financial control and auditing in local governance structures; and
- continuing with next steps of the decentralization process.

The evaluations of the Government of Macedonia and the EU do not coincide entirely. While the EU, for example, quotes de-politicization of the hiring process and the civil service, in general, there is no mention of this in governmental documents. Yet, if the government is to build truly transparent and neutral administration, there should be no place for political appointees.

The other problematic areas, such as internal control and auditing, are rather technical PAR components, whose progress depends more on actual capacities of the Government than their willingness. However, the missing internal control and auditing mechanisms, especially on local government level is preventing the decentralization process from proceeding to its second stage. Decentralization, as a principle enshrined in the OFA, is crucial to the success of EU integration efforts of Macedonia, and therefore, additional attention is required immediately in bringing the decentralization process to its planned stage.

## Recommendations: What Remains to Be Done?

**Legal Frame:** Macedonia scores well in adopting required PA legislation. Most of the laws envisaged with the PAR Strategy of 1999 have been adopted. This is an important moment, since legislation provides necessary ground for building an efficient and effective administration. Without an adequate legal frame, there will be no structure upon which to build a professional and efficient public administration. Still, more needs to be done even if we were analyzing solely the legal aspect of PAR in Macedonia. There is no law regulating the status and responsibilities of 'public servants' - those working in the public sector but not in the civil service. Therefore, some uncertainties remain regarding their status, which opens room for abuse and politicization.

Though most legal acts concerning public administration reforms have been adopted, implementation is not as smooth. Some laws are not being fully implemented and some are not implemented at all. One such is the Law on Salaries for the civil servants. The law has been adopted but implementation is continually delayed due to budgetary limitations. This has several negative implications for the PAR process. First, this displays a lack of horizontal coordination within the government, as governmental policies are not properly aligned and one impedes the implementation of the other. Then, lack of implementation causes resentment among the civil servants who are entitled to benefit from the provisions of the law. In the longer run, resentment can turn to disillusionment with the government and administration, which would be a huge step away from an efficient and professional public administration - which is the ultimate goal of the PAR. Finally, dissatisfied civil servants would reinforce the negative image the public has of the administration, thus undermining the government efforts to build a positive image of the state and administration as professional, objective and service-oriented.

***Transparency and Image:*** PAR includes efforts at increasing the transparency of the public administration and thus also improving the image the population holds of the state and the administration. Some very commendable measures have been undertaken to that end: introducing electronic application forms for positions in the civil service, electronic tests for applicants for civil service positions, electronic sources and guides through the institutions as well as feedback forms used to evaluate the service provided by the administration. The Civil Servants Agency has made a notable progress in this area since before its establishment the selection and hiring policies in the civil service were quite obscure. However, all these are rather recent measures and it may (and probably will) take time before the expected results are achieved - and the population gets a new, positive image of the administration.

Two things should be kept in mind when evaluating the success of transparency and publicity efforts. First, as already mentioned, mentalities and habits change slowly. People's opinions may linger well after things have changed. Therefore, there is a danger that those measures could be prematurely abandoned as inefficient. Still, although not yielding immediate results, those measures must not be abandoned. On the contrary, additional efforts are required to accelerate and enhance the desired results. Second, not all (if any) of these measures are grass-root initiatives by the people working in the public administration. Most of these ideas are donor-driven or top-down changes introduced in the public sector. However, considering that the people working in those institutions are the ones responsible for implementing them it is crucial that they understand and accept/approve of them. One must remember that occupational concerns are just as important as the legal aspect of PAR. Therefore, measures must be taken to prevent this, by training the civil and public servants and establishing proper communications and feedback channels with the higher management.

***Politicization concerns:*** This is one of the areas where Macedonia has made only a limited progress with PAR. The Government has been continuously criticized over high levels of politicization and staff turnover in the public administration. The legal frame of PAR (including all legal acts related to administration) does not contain mechanisms that can prevent politicization. The provisions enabling horizontal and vertical mobility of staff are sometimes (mis)used to justify political reshuffling of administration staff. The CSA is responsible for neutral and apolitical selection of civil servant, but only to a certain degree. After the initial stages of selection and testing, the list of five best candidates is submitted to the institution in charge (a special selection committee) which then on the basis of interviews chooses the best candidate. The final selection is still at the discretion of the top management of the hiring institution. Regarding promotion, degrading and horizontal reshuffling of staff the CSA has no authority. It acts as a secondary committee for appeals and complaints but with no active legitimacy in those disputes.

The implications of politicized public administration are widely known and often repeated. Politicization retards reforms and capacity-building processes by neglecting the principles of neutrality, efficiency and competency. This causes negative reactions from the EU and also reinforces the public perceptions of the administration as unprofessional, inefficient and corrupt. Moreover, politicization also causes disillusionment among current members of public administration bodies who lose faith in the merit-based system of advancement and promotion and see political engagement as the only source of career progress. This may prompt some of the best civil servants to leave public administration thus decreasing the overall quality of staff and service. Lower quality service and staff would decrease the efficiency and professionalism of the public administration, thus undermining the success of PAR. Furthermore, this would discourage young graduates from joining the public sector thus perpetuating the vicious circle of bad image and low quality staff and services.

***Institutional Weight and Import:*** While PAR is always mentioned as a top priority on every government's agenda, in institutional terms it lacks importance. The current body responsible for coordinating the PAR process in Macedonia is the Public Administration Reforms Unit within the Sector for Strategic Planning and Policy Analysis of the General Secretariat of the Government. The Unit has a staff of three. And while the Unit's staff is overall satisfied with the communication and cooperation levels with other institutions involved in the PAR process, enhancing the institutional weight would increase the capacities of the coordinating body. Other countries from the region that also conducted PAR had entire ministries dealing with public administration (Bulgaria for example). Greater institutional weight means more attention and more resources devoted to PAR, which would ensure greater progress and quicker results.

Finally, the public and civil servants along with the population at large need to gain an understanding that PAR is not a short-term project but rather a long-term process. Even when Macedonia receives positive evaluation from the EU, it would not mean that the reform is over for good. Public administration should not be associated with pre-1989 'rationalization' experiences in public administration which amounted to layoffs and frozen salaries. The most politically and economically developed states also conduct administration reforms and modernization projects (and that is where the latest trends in public administration originate from). Therefore, change needs to be accepted and recognized as an integral part of administration.

## CONCLUSIONS

This report outlines the main structure of the public administration reforms (PAR) in Macedonia. Starting with a brief overview of potentially useful definitions and the contextual setting of the reform process, the report goes on to analyze the legal frame that sets the foundation for the reform process. Drawing mostly on the PAR Strategy of the Macedonian government and the SAA and European Partnership, as the main EU documents in the area, PAR in Macedonia have followed the prescribed legalistic path. The majority of the required laws and secondary legislation have been adopted. There is limited progress with implementation of some laws, and some still need to be adopted.

Apart from legislation, institutions also influence the progress of reforms. The establishment of a specific Unit within the General Secretariat of the government, responsible for coordination and horizontal alignment of PAR in different sectors helped keeping the initial momentum of reforms. The establishment of the Civil Servants Agency and the Local Self-Government Ministry were also part of the PAR process that gave institutional importance to two major areas of reform - the civil/state administration and decentralization. While some institutions implement reforms better than others, more efforts are required to overcome past practices and mindsets and truly move towards an efficient and modern public administration.

Finally, both the Macedonian government and the EU conduct evaluations of the progress of PAR. Considering EU membership is among the highest priorities of the Macedonian government, those evaluations need to be taken seriously and the enclosed recommendations to be applied. Naturally, the EU is more critical of the reforms than the government, yet substantial progress has been achieved in some areas (ex. civil service reforms). The report also outlines several areas where further efforts are needed and overall advocates faster and more thorough reforms of the public administration in Macedonia, in view of creating a small, efficient and flexible administration as a prerequisite for EU accession.