



EUROPEAN COMMISSION

Directorate-General Enlargement

D - Financial Instruments and Regional Programmes

**D4 Institution Building**

## **2008 GOVERNANCE OVERVIEW for FORMER YUGOSLAV REPUBLIC OF MACEDONIA \***

Overall, some progress has been made in reforming public administration. Greater priority needs to be given to establishing a public administration which is transparent professional and free of political interference. In this area the country is at an early stage. Progress was made in implementing the law on police, which is a key priority of the Accession Partnership. Nonetheless, the politicisation of senior police officers is a serious concern. In this area the country partially meets its priorities.

**Civil Service:** The principles of the legal administrative framework in Macedonia are in line with European practices. Professionalism and depoliticisation of the civil service remain concerns. Ethics in civil service should be strengthened. The legal framework aimed at improving transparency is almost complete and is being reviewed in order to better ensure its objectives and/or align them with other legislation and with EU regulations and international conventions.

**Anti-corruption policy:** Some progress has been made in implementing anti-corruption policy, however corruption remains a particularly serious problem. The law on prevention of corruption was strengthened, in particular to allow the State Anti-Corruption Commission (SACC) to publish the asset declarations without prior approval. A new programme and action plan on conflict of interest were also adopted. Further steps are necessary, in particular as regards implementing provisions on financing of political parties and election campaigns. The country partially meets its priorities in this area.

**Public procurement:** Good progress has been made as regards general principles: the new Law on Public Procurement (LPP) was enacted. It fundamentally transposes the acquis. A number of significant improvements have been made, such as the e-procurement and award of public contracts. However, the new legislation on concessions and public-private partnerships is not in line with the acquis or with good international practice. The administrative capacity of the contracting authorities and the level of awareness of public procurement rules on the part of economic operators have improved.

**Public Internal Financial Control (PIFC):** Some progress can be reported in this area. A manual on PIFC has been adopted, for use by internal auditors and financial managers of public bodies in preparing annual reports on financial controls. There has been some progress on protection of EU financial interests. The structures for managing and monitoring IPA funds have been put in place.

*Twinning and SIGMA Co-ordination Team*

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\* Source: former Yugoslav Republic of Macedonia 2008 Progress Report, {COM(2008) 674}, 5/11/2008