



Republic of Macedonia  
Government of Republic of Macedonia

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STRATEGY OF THE GOVERNMENT OF REPUBLIC OF MACEDONIA FOR COOPERATION  
WITH AND DEVELOPMENT OF THE CIVIL SOCIETY SECTOR 2018 - 2020

Skopje, October 2018

## 1. Introduction

The development of the civil society is of utmost importance for the democratic values of the country, including the process of building the civil awareness. The role and the contribution of the civil society in promotion and building of the democratic culture at all society levels reflect the need for cooperation between the Government of the Republic of Macedonia and the civil society, in order to respond efficiently to the country challenges. The Government of the Republic of Macedonia actively undertakes measures for building of continuous, transparent and inclusive dialogue with the civil society, considering it as an equal partner and corrector within the decision making process, with full right to participate in the policy creation, to suggest and criticize.

In 2007, the Government of the Republic of Macedonia adopted the first Strategy for cooperation of the Government with the civil society 2007 – 2011, including the Action Plan. In this strategic document, the Government has addressed the importance of the civil society and has set up the fundamentals of the cooperation process with the civil society as well as in the systematic manner to strengthen the conditions for faster and more efficient development of the civil society.

By highly respecting the contribution of the civil society and its significant role in the society development, promoting pluralism, tolerance and democracy development, in 2012 the second Strategy for cooperation of the Government with the civil society with the Action Plan 2012 – 2017 was adopted. Its aim was promotion, support and improvement of the relations between the Government and the civil society, through identified measures for strengthening of the mutual cooperation.

The Strategy comprises objectives and measures for cooperation of the Government and the state administration bodies with the associations and foundations, as part of the wider civil society sector and form through which the citizen initiative could be clearly expressed and which offer citizens' participation in the society developments. The Strategy is based on the following principles: mutual trust, partnership, independence, pluralism, participation, transparency (publicity), responsibility, equal opportunities and non-discrimination.

The Strategy of the Government of the Republic of Macedonia for cooperation with and development of civil society sector 2018 – 2020 is based on what has been achieved so far, and further on it elaborates a frame for future activities. It is expected that the planned activities shall ensure additional improvement of the cooperation and promotion of the civil society development acting as corrector of the policies, citizens' service and channel of solidarity, as well as partner of the state and the business and significant contributor to the country EU integration process.

## 2. Civil society sector in the Republic of Macedonia

### 2.1. Characteristics of the sector

The terms "civil society organisation" and "civil society sector" for the purposes of this Strategy include associations, foundations, unions, organisational forms of foreign organisations and other forms of association, registered in accordance with the provisions of the Law on Associations and Foundations and they do not apply to political parties, churches, religious communities and religious groups, trade unions, chambers and other types of association regulated by special laws. Civil society organisations are non-profit, non-partisan and are founded for the realization and protection of rights, interests and beliefs in accordance with the Constitution and law.

According to the data from the Central Registry of the Republic of Macedonia, in April 2018, there were 8,924 registered CSOs in the Republic of Macedonia (out of which 8,780 associations and unions and 144 foundations), compared to 2015 when the number of registered organisations was 14,245<sup>1</sup>.

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<sup>1</sup> The data for registered and active CSOs, total incomes and expenditures and the number of employees in the CSOs for 2017 are presented in accordance with the notification from the Central Registry of the Republic of Macedonia No. 08-534/2 from 02.04.2018 and the data for 2015 year is taken from the Report on Enabling Environment for the Development of Civil Society in Macedonia 2016, Macedonian Center for International Cooperation (MCIC), 2017.

The total number of active CSOs, i.e. organisations that submitted an annual financial report for 2017 to the Central Registry of the Republic of Macedonia, is 5.975 (out of which 5,853 associations and unions and 122 foundations) and represents an increase of 30,58% compared to 2015, when the number of active organisations was 4.148.

In the course of 2017, a total of 672 civil organisations were founded and registered in the Register (656 of them in the Register of Associations and Unions and 16 in the Register of Foundations), and there are no organisations that ceased to exist and were deleted from the Register in 2017.

According to the submitted annual financial report for 2017, the total income of the civil society organisations in 2017 is 7,779,311,200.00 MKD (out of which 6,831,008,273.00 MKD are total income of associations and unions and 948,302,927.00 MKD of foundations), which is an increase compared to 2015 by 31.72% when the total income amounted to 5.312.039.865 MKD. Total expenditures of CSOs in 2017 amount to 6.303.973.085,00 MKDs (out of which 5.534.682.391,00 MKD are total expenditures of associations and unions and 769.290.694,00 MKD of foundations) and show an increase compared to 2015 for 32.49%, when the total expenditures amounted to 4.255.614.191 MKD.

According to the submitted annual financial reports for 2017, the total number of employees in civil society organisations is 2,058 (out of which 1,843 are employed in associations and unions and 215 in foundations) and shows a trend of increase by 3.3% compared to 2015, when the total number of employees in the civil society organisations was 1.990.

The financial indicators related to CSOs, primarily the increase of 31.72% of the total income and 32.49% of the total expenditures in 2017 compared to 2015, despite to the increase of 3.3% of the total number of employees in the CSOs in 2017 compared to 2015, indicate that the financial sustainability of CSOs remains a key challenge.

## **2.2 Existing legal framework**

The basic guarantees for the activities of the associations and foundations are determined by the Constitution of the Republic of Macedonia and the Law on Associations and Foundations.

According to Article 20 of the Constitution of the Republic of Macedonia, citizens are guaranteed freedom of association to exercise and protect their economic, social, cultural and other rights and convictions, and citizens may freely establish associations, join them or resign from them.

With the adoption of the Law on Associations and Foundations in 2010, the legal framework has been harmonized with the European standards and laid the basics for development of measures that will support the sustainability of the civil society. Key novelties in the law refer to the possibility of establishing associations and foundations by legal entities, enabling economic activities and introducing a status of public benefit organisations.

According to the article 8, paragraph 1 point 10) from the Law on Government of Republic of Macedonia, the Government promotes the development of the institutions of the civil society. In the frame of the Governmental policy for continuous and effective cooperation with the civil society and institutionalization of the cooperation, in December 2004, Unit for Cooperation with NGOs was established in the General Secretariat – Sector for policy analysis and coordination. In May 2016, the Government adopted Decision for establishing Council for cooperation between the Government of the Republic of Macedonia and the civil society. With the amendments of the Decision from November 2017, conditions were created for establishment of functional Council for Cooperation with and Development of the Civil Society Sector as an advisory body of the Government for improvement of the cooperation, dialogue and initiation of the development of the civil society in the Republic of Macedonia, comprised of 16 representatives of the civil society organisations and 15 representatives of the state administration bodies.

In accordance with the Code of Good Practices for Financial Support of Associations and Foundations from 2007, the Unit for cooperation with NGOs within the General Secretariat of the Government announces open call for financial support of associations and foundations from the Budget of the Government of the Republic of Macedonia. The Unit, on annual base, provides information to the Government about the allocated funds and the achieved results from the implemented projects. Database on financial support to associations and foundations is available on the Unit's website - [www.nvosorabotka.gov.mk](http://www.nvosorabotka.gov.mk). There is a need for further activities to establish relevant (based on the needs), transparent and accountable public funding of the civil society organisations.

In accordance with the Code of Good Practices for Civil Society Participation in the Policy Making Process from 2011, the Unit for Cooperation with NGOs within the General Secretariat of the Government publishes proposals from the organisations on its website, gives feedback on the received proposals, publishes a call for contributions to the preparation of the Annual Work Program of the Government, monitors the implementation of the Code, and every two years presents a Report to the Government with recommendations for improving the consultation processes. In order to promote the cooperation of the Government and the state administration bodies with the civil society organisations in the process of policy creation and improvement of the quality of this process through the use of expertise from the civil society, it is necessary for the state administration bodies to continue regular communication and consultations with the civil society organisations throughout all stages of the policy-making process, including as members of working groups, and consultations to be credible, inclusive and non-discriminatory. Also, during the situation analysis of the policy making process, the state administration bodies should use the documents (analyses, reports, etc.) prepared by civil society organisations.

A Network of civil servants for cooperation with the civil society has been established. The Unit for Cooperation with NGOs within the General Secretariat of the Government periodically organises meetings with the network members from the ministries and conducts regular communication and mutual informing aiming at coordinated implementation of the Strategy.

### **2.3. Comments and recommendations from the Review of the Strategy for cooperation of the Government with the civil society sector 2012-2017<sup>2</sup>**

The general remark to the Strategy for cooperation of the Government with the civil society sector 2012-2017 is that there is a lack of clear link between the measures and the activities of the Strategy and the Action Plan, there are no financial indicators for the implementation of the Strategy and no mechanism for external evaluation of the Strategy. It is recommended to continue with the implementation of the key measures and to include them in the next strategic document for 2018-2020, such as activities regarding the legal frame for state funding of CSOs, monitoring the implementation of legal frame for functioning of CSOs, etc. Greater independence of the Unit for cooperation with NGOs within the General Secretariat is recommended in order for the unit to have successful coordination role in monitoring the Strategy implementation, and to use different ways of promoting the Unit and bringing it closer to civil society organisations such as through organising open days, improving the website, its presence at public events, etc. Capacities of civil servants need to be strengthened so that they understand the nature and functioning of civil society organisations and their role in society in general and specifically regarding activities in the Strategy. In particular, the Network of civil servants responsible for cooperation with the civil society needs additional training and structured mechanisms for coordination, exchange of information and sharing of good practices. Furthermore, more statistical data about civil society should be used. It is necessary to secure funds from the budget to implement the actions / measures envisaged in the Strategy based on the needs and analysis of the state administration bodies that are responsible for the implementation of activities. Civil society organisations need to be involved in all stages of the preparation and implementation of the Strategy, and their active participation can be secured by including them as partners in the implementation of specific measures/activities of the Action Plan of the Strategy. Also, civil society organisations need to be included in continuous monitoring of the Strategy, alongside with responsible state institutions. To this end, it is recommended to develop web platform for monitoring the Strategy implementation that will provide information on the implementation of the Strategy to the interested public.

In order to address the comments given during the review of the Strategy for cooperation of the Government with the civil society sector 2012-2017, to develop the policies that influence the operation and the sustainability of the civil society in the Republic of Macedonia and to create enabling environment for civil society development, cooperation and networking among civil society

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<sup>2</sup> The Review of the Strategy for cooperation of the Government with the civil society sector (2012-2017) – Comments and recommendations from experts from the twinning project “Further institutionalization of the structural mechanisms for cooperation between the Government and the civil society sector” March 2018.

organisations, the citizens, the state and the business sector, the Council for Cooperation with and Development of the Civil Society Sector recommended that the priorities from the Strategy of the Government of the Republic of Macedonia for cooperation with and development of the civil society sector 2018-2020 are defined as measures which offer solutions for: creating enabling environment for civil society development, structured inclusion of the civil society in policy creation and implementation, as well as creating environment where organisations have special tax treatment, recognition of the civil society organisations as employers with their specifics and their involvement in the economic and social dialogue in the country; recognising the non-profit operation of the civil society organisations in light of the fact that organisations work and exist for the public interest and public good; improved sustainability of the civil society organisations through state funding on central and local level, aimed at gradual increase of the state funds allocated for supporting the civil society as well as establishing transparent model of state funding.

### **3. Values and principles of cooperation**

The Strategy will continue to apply, affirm and promote the values and principles used as the basis for the cooperation to present and will upgrade them substantially with the aim of deepening cooperation.

**MUTUAL TRUST** - The roles of the Government and civil society are complementary in the development and implementation of policies and activities. Their common goals will be most effectively accomplished if they are defined and implemented based on the mutual trust concerning the goal to be achieved and the method of doing it. The Government strives to establish relations with the civil society without prejudice and with full understanding of the positive role that each of them could play in achieving common goals. The content of this principle is defined by two components: liability and public interest.

**PARTNERSHIP** - Successful cooperation between the Government and civil society means partnership relations and allocation of tasks to the end of more efficient realisation of citizens' interests. The principle of partnership means cooperation on equal grounds among all entities for the purpose of establishing dialogue and respect for different opinions when defining and implementing the common goals. The Government and civil society will act complementary under their relevant areas - whenever the Government needs assistance, the civil society may offer its own capacity and expertise.

**INDEPENDENCE** - The civil society is free and independent in defining its goals, making decisions and planning its own activities. The Government respects the specific characteristics of this sector, particularly its independence in presenting the citizens' interest, in implementing activities financially supported by the Government and in their participation in the policy making processes.

**PLURALISM** - Strengthening the democratic society depends on the respect of the principle of pluralism, the freedom to express different opinions and attitudes and taking them into consideration in the development of plans and policies. The Government recognises and respects the existence of different goals, values and interests among citizens, which are expressed through various activities and efforts of civil society organisations. Government enables involvement and cooperation with all organisations based on the principle of non-discrimination, with a special focus on recognising the interests of marginalised groups.

**PARTICIPATION** - The Government supports the involvement of the civil society in policy making, so as to integrate the interest and proposals of citizens in the processes of decision making and implementation. Civil society, with its own capacities and resources contributes to the adoption of more quality solutions, for the benefit of the community. It represents the various values and interests of citizens. Through this sector, citizens receive information and express their opinions about measures proposed by the Government. The Government is open for dialogue with the public in order to improve the quality of proposed policies and to strengthen the legitimacy of the Government policy. Also, the Government will provide for active involvement of civil society organisations with equal responsibilities and the right to make decisions in bodies that create policies for implementation of the cooperation and development of the civil society, as well as in other bodies that would define the agenda for development of the society and European integration.

**TRANSPARENCY (PUBLICITY)** - Activities undertaken by the Government and civil society concerning the programmes and plans necessary for development of common goals will be open

and shared between the two stakeholders and with the public. The Government will place special emphasis on this principle, particularly in regard to the access to information, participation in creation of public policies and legislation and allocation of funds. <sup>TM</sup>

**RESPONSIBILITY** - The Government and civil society are mutually responsible before the public and citizens about the implementation of their joint activities. This principle is expressed through the efforts of the Government and civil society to take into consideration expressed opinions of citizens when defining the priorities and policy drafting and implementation. The Government and civil society are obligated to follow the principle of joint and several liabilities also in the case of allocation and use of state funds.

**EQUAL OPPORTUNITIES AND NON-DISCRIMINATION** - The Government aims to respect the equal opportunities and non-discrimination of all people in realisation of their primary rights and freedoms and their benefits from political, economic and social processes and mechanisms. The civil society by the very nature of its activities, articulates the needs and interests of different target groups, including the marginalised groups. Social cohesion, as a priority area and strategic goal of this Strategy can only be achieved if the principles of equality, equal opportunities and non-discrimination are respected.

#### **4. STRATEGIC GOALS**

The Government of the Republic of Macedonia considers that civil society is an equal partner and corrector of its decisions, with the full right to participate in policy-making, to suggest and criticize. The Government is actively undertaking measures to build a continuous, transparent and fully inclusive dialogue with civil society.

The Strategy of the Government for Cooperation with and Development of the Civil Society, through mutually related strategic goals that support the cooperation and development of the civil society, defines the guidelines for:

- Normative, institutional and financial framework for civil society development
- Democratization, active participation of the civil society in the social processes and policy creation and monitoring, with a special emphasis on EU integration process
- Civil society as an actor of social-economic development

<b>Priority area 1: Normative, institutional and financial framework for civil society development</b>
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By adopting the Law on Associations and Foundations in 2010, the legal framework has been harmonised according to the European standards and the groundwork for the development of measures that will foster the sustainability of the sector have been set in place. More precisely, the Law allows the organisation to directly perform profitable activities and acquire the status of organisations of public interest. The functioning of civil society organisations is also conditioned by other laws. Analysing and improving the legal framework for financial performance of CSOs will be undertaken, in accordance with the needs and nature of the organisations, selection of the most suitable model for tax treatment of the organisations from the aspect of the profit tax and improvement of the accounting of non-profit organisations. In order to improve the system of allocation of funds from the Budget of the Republic of Macedonia for CSOs, the Code of Good Practices for Financial Support of Citizens' Associations and Foundations will be improved and replaced with a legally binding act. Bearing in mind that games of chance are an important source for supporting the activities of CSOs, an analysis will be made to bring our legislation in this area closer to European and regional good practices.

The Government recognizes the need to promote mechanisms for cooperation with the civil sector. The measures undertaken with this strategy at the institutional level are directed towards the establishment of a fully functional Council for Cooperation with and Development of the Civil Society Sector and improvement of the practices for cooperation with the civil society organisations.

**Goals:**

- Improving the legal framework for CSOs;

- Establishment of a tax framework that corresponds to the specifics of the work of the CSOs and enables their development;
- Improving the state funding system for civil society organisations;
- Strengthening the institutional framework and practices of cooperation between the Government, state administration bodies and civil society organisations.

*Measures:*

1. Amendments to the Law on Associations and Foundations (in order to establish functional model for acquiring the status of public benefit organisation and projects of public benefit implemented by an organisation without a status of public benefit organisation, legal recognition of informal groups, specifying provisions for non-party activity and influence on elections, determining of conditions for allocation and use of funds from the Budget of the Republic of Macedonia from civil society organisations, including monitoring the use of funds as well as guaranteeing the independence of the civil society organisations and determining the legal frame for public-civil partnership);
2. Analysis of the effects and selection of the most suitable model for the tax treatment of civil organisations;
3. Regulation of the manner of recording and financial reporting on economic activities that may lead to earning profit;
4. Development of improved legal frame for accounting of non-profitable organisations and by-laws;
5. Analysis and amendments to the Law on Games of Chance and Entertainment Games from the aspect of European practices and domestic needs;
6. Establishment of a transparent and reliable state funding model with established Fund for institutional development of civil society organisations and for co-funding EU-funded projects;
7. Adoption of legally binding act for allocation of funds for civil society organisations from the public sources and improvement of the coordination, as well as the transparency and accountability of the use of funds, in accordance with the adopted legal regulation for establishment of transparent and reliable state funding model with establishment of a Fund for institutional development of civil society organisations and for co-funding EU-funded projects;
8. Recognition of the specific features of the civil society organisations as an employer in the legal regulation, the operational programmes and the social dialogue;
9. Establishment of an independent, representative, functional and effective Council for Cooperation with and Development of the Civil Society Sector and ensuring its regular operation;
10. Enhancement of the organisational form of the Unit for Cooperation with NGOs of the General Secretariat in order to create an enabling environment for civil society;
11. Strengthening of the capacities of the Network of civil servants for cooperation with civil society and improvement of the methods for communication and coordination of the members of the network;
12. Increasing the availability and dissemination of public data for registered civil society organisations in the Central Registry of the Republic of Macedonia;
13. Promotion and encouragement of good practices for cooperation with CSOs on a local level;
14. Improvement of the communication and increasing the visibility of the Unit for Cooperation with NGOs, the Council for Cooperation with and Development of the Civil Society Sector and the civil society organisations in the public.

*Responsible bodies:* General Secretariat-Unit for Cooperation with NGOs, Ministry of Justice, Ministry of Finance, Ministry of Labour and Social Policy, Ministry of Information Society and Administration, Ministry of Local Self-Government, other line ministries and Central Registry of Republic of Macedonia.

**Priority area 2: Democratization, active participation of the civil society in the social processes and policy creation and monitoring, with a special emphasis on EU integration process**

The Government recognises the important role of CSOs as partners in defining policies related to European integration. Regular consultation and involvement of civil society organisations will be ensured in all stages of policy making, implementation, monitoring and assessment, including them as members of working groups. By implementing the measures of this strategy, the defined policies and laws will respond to the needs of the community and the commitments for integration into the European Union. CSOs will be regularly involved in the processes of planning, programming and monitoring the utilization of EU funds for pre-accession.

**Goals:**

- Increasing the participation of civil society organisations in the process of policy creation, implementation, monitoring and assessment;
- Strengthening of partnership in the processes related to the European integrations.

**Measures:**

15. Improvement of the implementation of the Code on Good Practices for Participation of the Civil Society in the Policy Making Process;
16. Cooperation with the effective thematic networks of the civil society organisations for structural dialogue in the process of policy making, implementation, monitoring and assessment;
17. Analysis of the needs and the possibilities for legal determination of the procedure of drafting laws and acts of the units of local self-government in consultation with stakeholders;
18. Introduction of topics on participation in policy creation and law making processes in the training programmes for civil servants;
19. Enhancement of the possibilities for consultations with the stakeholders through the Unique National Electronic Register of regulations (ENER) and encouragement for its use;
20. Cooperation with representatives from civil society organisations in implementing the various subjects and activities in schools related to democracy and civic education;
21. Involvement of the civil society organisations in the working bodies for preparation of the negotiation positions and negotiations with European Union;
22. Active participation of the civil society organisations in the programming and monitoring of the usage of the Pre-Accession Assistance (Sector Working Groups, Monitoring Committees, etc.);
23. Consultations and cooperation of state administration bodies with CSOs for overall preparation of reports of the Republic of Macedonia concerning the implementation of ratified international agreements in the area of human rights;
24. Increasing CSOs' participation in European and regional networks and activities.

*Responsible bodies:* General Secretariat-Unit for Cooperation with NGOs, Secretariat for European Affairs, Ministry of Foreign Affairs, Ministry of Information Society and Administration, Ministry of Education and Science and other line ministries.

**Priority area 3: Civil society as an actor of social-economic development**

The Government undertakes measures for the development of social entrepreneurship for improving the economic and social situation of the citizens, strengthening social cohesion and solidarity. The measures from this strategy are aimed at creating a conducive legal environment for social entrepreneurship, active involvement of civil society organisations in provision of services in the



social sphere and other areas of public interest, promotion and development of volunteering, as well as improving the legal framework and encouraging philanthropic donations to civil society organisations.

**Goals:**

- Development of social entrepreneurship;
- Increasing the participation of CSOs in providing services for community needs;
- Promotion and development of volunteerism;
- Encouraging the citizens and the business sector to support and contribute to development of the civil society sector.

**Measures:**

25. Creation of an enabling legal environment for social entrepreneurship;
26. Providing financial support and development of the entrepreneurial skills of civil society organisations for social entrepreneurship;
27. Establishing a framework for the sustainability of social service provision by civil society organisations;
28. Improving the conditions for providing services by civil society organisations;
29. Improving the legislative framework for promotion and development of volunteering;
30. Stimulating volunteering activities and financial support of the CSOs that promote voluntarism;
31. Amendments to the Law on Donations and Sponsorships in Public Activities to facilitate the donation and philanthropy to civil society organisations

*Responsible bodies:* Ministry of Labour and Social Policy, Ministry of Justice, Ministry of Finance, Ministry of Economy, Ministry of Education and Science, Ministry of Health, Ministry of Culture and other relevant ministries.

## **5. IMPLEMENTATION, MONITORING AND REPORTING**

The General Secretariat of the Government - Unit for Cooperation with NGOs and the Network of Civil Servants for Cooperation with the Civil Society Sector have the primary role in coordinating the implementation of the Strategy and in preparing an annual report to the Government on the undertaken activities and achieved goals in the implementation of the Strategy.

The Council for Cooperation with and Development of the Civil Society Sector, as an advisory body to the Government for promoting the cooperation, dialogue and encouraging the development of the civil sector in the Republic of Macedonia, monitors the implementation of the Strategy and the Action Plan, gives an annual opinion on the implementation of the Strategy and encourages the promotion of cooperation and building partnership relations between the Government and the state administration bodies with the civil sector.

The ministries and other state administration bodies plan the activities envisaged in the Action Plan of this Strategy in their strategic plans and the annual work plan and care for providing funds necessary for their implementation.

CSOs will be involved as partners of the Government and state administration bodies in the implementation of specific measures/activities from the Strategy's Action Plan, as well as in the continuous monitoring of the Strategy implementation.

The measures of this strategy are aimed at encouraging the local self-government units to continue the good practice of cooperation and development of local civil society organisations and to adopt similar mechanisms for cooperation, support and involvement of civil society organisations in the implementation of the activities.

In order to provide timely information regarding the implementation of the Strategy for the interested public, the system of monitoring and reporting on the level of implementation of the measures will be improved, using new technologies on the website [www.nvosorabotka.gov.mk](http://www.nvosorabotka.gov.mk) aiming at

increasing the transparency of the implementation process and as an additional possibility to include the civil society sector.

## **6. Action Plan**

The specific measures for implementation of the Strategy of the Government of the Republic of Macedonia for cooperation with and development of the civil society are incorporated in the Action Plan 2018-2020, which is an integral part of this strategy.