



MONTHLY PROGRESS BRIEF ON THE EUROPEAN INTEGRATION PROCESS OF THE REPUBLIC OF MACEDONIA FOR APRIL, 2010

I POLITICAL CRITERIA

Assembly

In the area of implementation of the Provisions from the Law on Assembly of the Republic of Macedonia the two scrutiny debates by the Foreign Policy Committee and the Committee on Transport Communications and Environment, in accordance with the plan adopted on the coordinating meeting and assisted in the organization by the National Democratic Institute in Macedonia should be underlined.

During the report period further strengthening of the capacities of the Assembly Service, providing appropriate staff and budget continued in accordance with the provisions from the Law on Assembly of the Republic of Macedonia. In this direction and in accordance with the implementation of the provisions from the Law on Assembly of the Republic of Macedonia, 18 from the planned 19 employments of the Assistants for the MP groups, in accordance with the number of members, were realised.

In order to implement the NPAA, during the report period, the Assembly of the Republic of Macedonia prioritizes the adoption of the laws harmonizing the legislative with the Acquis.

Government

During the course of April, the Deputy Prime Minister in charge of EU Affairs held the 17th session of the Working Committee on European integration (WCEI), and discussed the status of NPAA implementation. Prior to this session, the State Secretary of the Secretariat for European Affairs chaired the 3rd session of the Subcommittee of the WCEI on the adoption of the envisaged laws and bylaws for the first quarter of 2010.

Also, quarterly *Information on the implementation of the NPAA activities for the period 01.01.2010-31.03.2010* was prepared by the Government and it was communicated to the Committee for European Affairs and to the National Council for European Integration. The Information was discussed on the sessions of the Committee and the Council which took place on the 26th of April.

The Information concluded that in the first three months of 2010, a total of 33 NPAA laws



were published in the Official Gazette (out of 43 which were adopted by the Government *i.e.* additional 10 NPAA laws were within the parliamentary procedure). In addition, a total of 58 by-laws were adopted by the Government and published in the Official Gazette.

Decentralisation

The Government of the Republic of Macedonia in October 2009 approved lendings to the municipalities Demir Kapija, Kichevo, Studenichani by which the accounts of these municipalities were deblocked and as of April 2010 they fulfilled the conditions for entrance in the second phase of the fiscal decentralization and along with the municipality of Drugovo are financed with block grants.

Public administration reform

The Secretariat for European Affairs organised the round table on “Development of the State Service and Human Resources Management in the Public Administration in the light of accession of the Republic of Macedonia to the European Union”, having in mind the special attention that the Government of the Republic of Macedonia gives to the building of efficient, modern and transparent state administration for ensuring high quality of operation and able to assume the obligations of EU membership. The Slovenian consultant and professor at the University in Ljubljana presented the Slovenian experiences in the public administration reform, as well as the standards for profesionalisation and modernisation of the administration.

The following amendments of by-laws deriving from the latest amendments to the Law on Civil Servants were adopted:

- Amendments to the Rulebook on the manner of selection and employment of the civil servants and the form and content of the application for internal announcement for employment of civil servants (“Official Gazette of the Republic of Macedonia”, No. 60/2010) aimed at improvement of the manner of selection and employment of the civil servants and introduction of the internal announcement in the spirit of the latest amendment of the Law on Civil Servants, where the forms are enclosed as well.
- Amendments to the Rulebook on the form and content of the data - evidence forms for civil servants (“Official Gazette of the Republic of Macedonia”, No. 60/2010) aimed at improving the content of the civil servant forms: CS-1, CS-2, CS-3a, CS-3b, CS – 3c, CS-4, CS-5, and which are enclosed in the Rulebook.
- Amendments to the Rulebook on the form and content of the semi-annual report for specialized trainings of civil servants (“Official Gazette of the Republic of Macedonia”, No. 60/2010) where it is stipulated that the state administrative bodies



are obliged to submit the semi - annual report to the Civil Servants Agency one month following the end of the first half of the year at latest.

In accordance with the latest amendments of the Law on Internal Affairs, on 22 March, in total 789 employees in the Ministry of Interior were retired thus creating conditions for the increase of the equal representation within the MoI. For example, the percentage of employees from Albanian community within the Bureau for Public Security on 01.03.2010 (before the retirement) was 16,52%, while on 14.04.2010 (after the retirement) the percentage increased to 17,52 %. 220 more employees are envisaged to be retired until the end of 2010. Within the Training Centre from the beginning of the year, in total 17 trainings encompassing around 200 employees were held. Training for counsellors for continuous training within all Sectors for internal control was conducted while training for mentors has started. The process of reconstruction of the Police Station of general competence Kisela Voda officially ended on 13 April 2010 when the Provisional Acceptance was signed.

In line with the amendments of the Law LSC of in September 2009, the civil service bodies were obliged to harmonize their internal organisation and job systematization acts with the Law until the day it starts to apply of its application, 23 March 2010 at latest). So far, this obligation has been fulfilled by 17 central government bodies and 23 local self-government units.

CSA takes care of civil servants' performance assessment procedure as well. Until the end of April 2010, the Agency, CSA received a total of 45 reports on civil servants assessment for 2009, of which 26 were from the central government and 19 from the local self-government.

From 01.10.2009 to 30.04.2010, a total of 121 public announcements were published (3 of them were stopped) for employing 533 civil servants (the stored stopped announcements were aimed for 15 employees).

From 1.1.2009 to 1.04.2010 total of 67 disciplinary procedures have been initiated, 49 of which in the central government bodies and 18 in the local self-government units. The Commissions for carrying out disciplinary procedures have proposed 35 disciplinary measures. In 10 of the cases, the proposal for initiating disciplinary procedures has been rejected due to lack of evidence, in 2 of the cases the proposal was withdrawn, in 2 cases it was rejected because of unenforceability and in one case the civil servant resigned during the procedure. The remaining procedures are in course.

Fro 01.10.2009 to 30.04.2010 the Second Instance Commission deciding on appeals and complaints of civil servants received a total of 302 complaints on the following grounds: *Assigning to a job*. total 64, of which 6 were accepted, 55 rejected, 1 ruled out, 2 withdrawn;



Termination of employment: total 66, of which 28 accepted, 37 rejected, 1 ruled out; *Selection upon employment announcement:* total 113, of which 1 accepted, 101 rejected, 10 ruled out, 1 answered; *Salary and allowance:* total 11, of which 5 accepted, 2 rejected, 4 ruled out; Disciplinary procedure: total 40, of which 28 accepted, 9 rejected, 2 ruled out, 1 withdrawn; Civil servant assessment: total 6, of which 3 accepted, 1 rejected, 2 given out to other bodies; Annual holiday: total 2, of which 1 accepted, 1 rejected.

Human rights and protection of minorities

During April the Assembly adopted the following legislation:

- Law amending the Law of execution of sanctions - Official Gazette No.57 from 26.04.2010 - One of the aim of the amendments was the alignment of the law with the Law on civil servants. Thus, the prison staff will gain the status of civil servants and continues training and examination of their knowledge is predicted. In addition, in accordance with CPT recommendations, the Law foresees the establishment of health departments (for the sick, elder and infirm people), strengthening the professional surveillance and greater use of the alternative measures.
- Law for associations and foundations - Official Gazette No.52 from 16.04.2010 - The Law will contribute to further development of the dialogue between the Government and the civil society.
- Law for prevention and protection against discrimination - Official Gazette No.50 from 13.04.2010 - The law ensures protection and prohibition against discrimination to all individuals and legal entities in the process of exercising the rights and freedoms guaranteed by the Constitution and the state laws.

Two day training of trainers for protection from discrimination was conducted from 13th till 14th of April. The training embraced 15 trainers from the area of healthcare, education, interior, justice, social security, employment and local government. Within these activities, with support by experts engaged by the British Council, Manual for trainers was published.

Information containing initial observation of the use of the Law on juvenile justice was adopted by the Government (149 sessions). In accordance with the Government conclusions, 15 motor vehicles will be provided for the centers for social work in order to ensure effective implementation of the Law. The Working Programme of the State Council was adopted on 6th of April and it was agreed that the Ministry of Justice will provide 600.000,00 MKD for the State Council.

The Multidisciplinary Protocol for treatment of the homeless children was promoted in



local self-government Vinica, Kocani, Kriva Palanka and Kumanovo. The activities are conducted within the Project “Safety issues of Roma” with the focus on Roma homeless children. The purpose of the Protocol is providing unified, standardised and unique way for treatment of children from street/ homeless children in order to improve their protection and life quality.

The activities for providing deinstitutionalised forms for protection of children from the street are ongoing. Preparations for opening a day center in Prilep are initiated and in final phase are the activities for the day center -Bitola. Activities associated with the opening of the 24 hours transit centre for accommodation of homeless children in Skopje are also ongoing (premises are provided)

In accordance with the Action plan for fight against organized crime and corruption in the penitentiary institutions the Directorate for execution of sanctions continuously undertakes activities. In accordance with the working plans of the Directorate, exceptional controls were conveyed in penitentiary institutions in Stip, Bitola, Struga and Tetovo. During the checking in Struga 1 mobile was found at the duty supervisor, 28 mobiles at the detainees and also 2 lap tops with WLAN. In prison Tetovo 2 mobiles were found at one of the detainees. The control showed that in Stip and Bitola the order not to bring mobile phones and other personal belongings was fully respected.

On 22nd and 23rd April a TAIEX workshop on Prevention and Fight against corruption among prison staff was held. Memorandum for cooperation between the Directorate for execution of sanctions and the NGO Hops was signed for improvement of the treatment of drug/alcohol addicts in prison Idrizovo. An expert from Republic of Slovakia was engaged in the preparation of the Rulebook for protection of justice associate serving a sentence (TAIEX 23-25.02.2010).

In accordance with the Programme for financing the reconstruction of the penitentiary institutions and the educational-correctional centres for year 2010, 7.000.000, 00 MKD were provided for equipment of Prison Skopje with safety and surveillance system and also reconstruction of the old detention unit. The renovation of the old detention unit is finished. Also metal detectors and radio equipment were provided for **Prison Strumica** and project for sanation of the prison was prepared. Projects for sanation of the semi-opened wing in **Idrizovo** and Open Unit in **Veles** were prepared.

Steering Committee for monitoring the implementation of the IPA 2007 Project - Support of the SIOFA in the implementation of the Strategy for equal representation was formed. The Project purpose is revising of the Strategy and the Action plan from it.

The composition of the National coordinative body for prevention of domestic violence was revised and the body held a meeting with the newly appointed members. On the meeting the further way of working of the body was discussed.

Within the Programs “Straightening the national capacities for fight against domestic



violence” and “Economic straightening for women – victims of domestic violence”, Memorandum for cooperation between MLSP, UN and 5 local self-governments (Bitola, Tetovo, Kavadarci, Skopje and Kumanovo) was signed. 125 women, victims of domestic violence were selected for the Programme. Despite the economic, psychological support of women victims and their re-socialization will be provided.

Seminar on the Revised European Social Charter was held in organisation of the MLSP. The specific objective of the seminar was support of the ratification of the Revised European Social Charter by the Republic of Macedonia and also ensuring effectiveness of fundamental social rights in the country.

The inter-ministerial body for protection of human rights held a meeting on which were discussed the ways for improvement of the further work of the same.

The working group for protection of persons without ID held a meeting on which the results of the researches of the NGO`s were presented. On the next meeting, Information with concrete solutions should be indicated and it will be promoted on the Regional Conference on the rights of the persons without ID in June.

Regional cooperation and international obligations

The positive trend in the development of bilateral relations with Albania was reaffirmed during the official visit of the President of the Republic of Albania to the Republic of Macedonia (13-15.04.2010). The European and Euro-Atlantic integration of both countries was discussed, as well as the possibilities for improving the economic cooperation, the infrastructure projects within Corridor 8, the railway connection of both countries and the simplification of the access to the Albanian ports in Dures and Valona. Beside the high level official meetings, the Albanian President addressed the Parliament of the Republic of Macedonia and the Macedonian-Albanian Business Forum.

During the visit of the Minister of Defence of Montenegro to Macedonia (27.04 2010) a Memorandum for cooperation in the field of defence between Macedonia and Montenegro was signed. The formation of Montenegrin cadets in the Military Academy in Skopje and training of Macedonian pilots in Montenegro were also agreed.

Upon invitation of the Macedonian Minister of Defence, the Minister of the Kosovo Security Forces paid his first official visit to Macedonia. Both parties concluded a Memorandum for cooperation in the field of defence between the Ministry of Defence of Macedonia and the Ministry of the Kosovo Security Forces. Political consultations between the ministries of foreign affairs of Macedonia and Kosovo were also held at the level of state secretaries (Skopje, 1.04.2010). A draft-protocol for the cooperation between the ministries was prepared and delivered to the MFA of Kosovo.

The text of the Protocol for cooperation between the ministries of justice of Macedonia



and Bosnia and Herzegovina was agreed and is expected to be signed in the forthcoming period.

A delegation from the National Parliament's Commission for Harmonisation with the EU of Turkey paid an official visit to Macedonia (6-10.04.2010). Representatives of the European Affairs Committee of the Macedonian Parliament paid an official visit to Turkey from 25-28.04.2010.

With regard to regional initiatives, the following activities can be reported during April:

- The Secretary General of the Regional Cooperation Council (RCC) visited Macedonia (28.4.2010). At the meetings with the Macedonian Prime Minister and the Minister of Economy, the importance of developing infrastructure projects, especially in the field of energy and transport was discussed, as well as the necessity for designing joint regional projects which would stimulate accelerated economic development of each of the countries and the region as a whole. Macedonia supported the work of RCC and stressed its importance in the context of the SEE countries' EU integration process.
- On 18.04.2010 Macedonia took over the rotating one-year Presidency of the Southeast European Police Chiefs Academy (SEPCA).
- Macedonia attended the SEECP Meeting of the ministers of external trade (Istanbul, 30.03.2010), where a Joint declaration for fostering economic and commercial cooperation with active participation of the private sector was signed. Macedonia also took part at the SEECP Meeting of the ministers of economy and finance (Istanbul, 9-10.4.2010), which focused on the macroeconomic outlook for the region, the role of the international financial institutions in the region's development process and structural reform process, the impact of policy decisions discussed under the G-20 and how to improve the economic policy coordination in the region. Macedonia also took part at the meeting of the central bank governors that was focused on the effects of the global economic crisis and the development of the economic cooperation between SEE countries.
- Macedonian Minister of Interior attended the MARRI Forum held in Podgorica under the Montenegrin Presidency, where the MARRI Working Plan for 2010/2011 was adopted and a Memorandum for common consular protection between the MARRI member states was signed.
- Macedonia participated at the second meeting of the CEFTA Subcommittee on Non Tariff Barriers (NTBs) and Technical Barriers to Trade (TBTs) that was held under the Chairmanship of Ministry of Economy, Trade and Energy of the Republic of Albania (Duess, 8-9.4.2010), where the concept for the functioning of the CEFTA trade web portal was prepared.

II ECONOMIC CRITERIA

Further progress with registration of property rights has been made, expanding of coverage of the real estate cadastre to more than 98,2 % . In addition the backlog of



unresolved disputes has been further resolved. In a competition of 282 projects and among 47 well conceived nominations of projects from Europe and Central Asia region, the World Bank has awarded 12 projects which showed significant results, which have improved the lives of people in certain areas and have contributed to the reforms of specific sectors, among which is the improvement of the property registration system. Out of the 12 awarded projects, the Real Estate Cadastre and Registration Project, which is being implemented by the Agency for Real Estate Cadastre, is the only awarded project for property registration among the awarded projects in the region.

The new Law on the Agency for Foreign Investments and Export Promotion of the Republic of Macedonia was adopted by the Parliament in March 2010. According to the Law the Agency is guaranteed an additional role for promoting export potentials in the Republic of Macedonia. The Law will become effective as of July 1st, 2010.

According to the Programme for development of entrepreneurship, competitiveness and innovation of small and medium sized enterprises for 2010 the public announcement for co financing of projects for support and promotion of craftsmanship was published in March 2010. The procedure for selection and assessment of the received applications is ongoing.

An agreement for implementation of the European Innovative Scoreboard for the Republic of Macedonia has been signed.

3.01 FREE MOVEMENT OF GOODS

On the 22th of April 2010, during the Six meeting of the Subcommittee for trade, industry, customs, and taxation, the authorities of the Republic of Macedonia and the European Commission had a meeting for defining the further activities, regarding the negotiations for the Agreement on Conformity Assessment and Acceptance of Industrial Products (ACAA)

The Law on market surveillance was adopted ("Official Gazette of the Republic of Macedonia" no. 48/2010). Part of the Chapter I-definitions, complete Chapter III-framework for market surveillance and products control and Chapter IV-CE marking from the Regulation no. 765/2008 of the European Parliament for accreditation and market surveillance are transposed in the Law. The competences of the inspection bodies from many state institutions and the Customs Administration of Republic of Macedonia dealing with market surveillance referred to industrial products, as well as the general principles for the CE marking are defined in this law. The goal of the Law on market surveillance is to establish a framework and coordinative system of the state bodies for market surveillance



in line with the Regulation 765/2008/EC.

Rulebook Amending the Rulebook on the programme for enabling proper usage, storage and maintenance of the weapons, the manner of practical training for handling weapons, as well as the manner of conducting the examination of the technical knowledge for proper usage of the weapons and knowledge of the regulation on weapons was adopted ("Official Gazette of the Republic of Macedonia" no. 56/2010). The adoption of this Rulebook is in line with the Common Council Common Position 2003/468/CFSP of 23 June 2003 on the control of arms brokering

3.02 FREEDOM OF MOVEMENT FOR WORKERS

The Law amending the Health Insurance Law was adopted and published in Official Gazette of the Republic of Macedonia (Official Gazette of the Republic of Macedonia no. 50/10). The amendments provide legal base for introduction of the electronic health insurance card and contain provisions for personal data protection from the aspect of issuing, use of the card and keeping records on the health insurance cards.

3.04 FREE MOVEMENT OF CAPITAL

The Parliament adopted the Law amending the Law on prevention of money laundering and financing of terrorism (Official Gazette of the Republic of Macedonia no.49/2010). Amendments of this Law are in line with the Directive 32005L0060 for protection of the system for prevention of money laundering; Convention no.198 from 2005 of the Council of Europe and with definition of "politically exposed persons" as foreseen by the Directive 32006L0070.

3.05 PUBLIC PROCUREMENT

In terms of strengthening administrative capacities of the Public Procurement Bureau, USAID organised a 5 days study visit to Warsaw for the representatives of the bureau. This was a good opportunity to get familiar with the work of the Public Procurement Agency of the Republic of Poland.

During the study-visit representatives of both sides discussed about functioning of the public procurement system of the Republic of Poland, their experiences during the negotiation process with the EU institutions. The study visit represented solid opportunity for the employees of PPB, because the experience gained there will be useful in terms of



improving the functioning of the national system of public procurement.

During the course of April, as foreseen by the Program for education about public procurement for contracting authorities and economic operators, two trainings took place which were attended by 50 representatives. In addition, in cooperation with USAID, Union of Chambers' of Commerce, and Chamber of commerce of Macedonia, two trainings about the usage of the Electronic system of public procurement for economic operators were organised.

3.06 COMPANY LAW

The *Law amending the Company Law* was adopted and published in Official Gazette (Official Gazette of the Republic of Macedonia no. 48/2010). With the amendments full transposition of the EU cross-border mergers Directive 32005L0056 was achieved and the legal requirement for establishing internal audit departments in listed companies in accordance to the OECD Principles of Corporate Governance was introduced. Also the explanatory notes to the accounts are prescribed as mandatory element of the annual accounts, in accordance with the 4th Directive on annual accounts 31978L0660 and with the 7th Directive on consolidated accounts. Moreover, an obligation is imposed for small and micro traders to use the International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs).

The tender for technical assistance of the Central Registry of Republic of Macedonia for realisation of the One-Stop-Shop System phase 2 has succeeded. A contract was signed with an International Consortium (Irish&Indian). As of April 2010 the implementation of the One-Stop-Shop System phase 2 has began. The goal of the project is to establish electronic solutions for enabling on line registration of companies, interconnecting the Social insurance funds and the Central register during the registration process, electronic evidence of each bankruptcy procedure and tracking of bankruptcies in Macedonia (e-bankruptcy), as well as providing interconnection between notaries, leasing companies and the Central register for the purpose of registering the leasing and pledge contracts within the registries in CRM.

3.07 INTELLECTUAL PROPERTY LAW

Regarding strengthening the capacities of institutions dealing with Intellectual property rights, from 7 to 8 April 2010 in Riga, Latvia "Inter-regional discussion on current problems in protection of the industrial property" was held organized by World



Intellectual Property Organization in which Director of State Office of Industrial Property and one employee participated. From 14 to 16 April 2010 TAIEX expert mission for further development of the State Office of Industrial Property into a service oriented institution was realized where 10 employees participated. From 28 March to 1 April, 2010 in Vienna, Austria, through the IPA Regional Project for Intellectual Property, a seminar for development of small and medium enterprises was held in which representatives on the State Office of Industrial Property participated and from 28 to 29 April in Madrid, Spain, the European Patent Forum was held where representatives from the State Office of Industrial Property participated.

Progress was made in the enforcement and in raising awareness concerning protection of the intellectual property rights

From 26 to 29 April in Zagreb, Croatia, TAIEX regional workshop for Public health and organised crime on IPR crime was held where representatives from the Republic of Macedonia dealing with intellectual property rights enforcement participated.

The Academy for Training of Judges and Prosecutors of the Republic of Macedonia, in cooperation with American Chamber of Commerce in Republic of Macedonia and International Organization for development of law (IDLO), organized two two-day workshops on "Comparative experience in the protection and realization of the intellectual property rights" with 83 participants, including 50 participants from the judiciary: 29 judges, 16 prosecutors, 4 judicial assistants, one professional associate of the Public Prosecutor's Office and 33 participants from other institutions (One participant from the Secretariat for European Affairs, 2 participants from the State Office of Industrial Property, 20 participants from the Customs Administration of the Republic of Macedonia and 10 participants from the State Market Inspectorate). Also, in cooperation with TAIEX, two-day workshop on "Internal market-EU patent law" was organized with the 49 participants including 25 judges, 9 court employees and 15 participants.

World Intellectual Property Day 26 April was celebrated with several activities. State Office of Industrial Property organized event to mark the day and also to promote the book "Trade-mark-absolute and relative grounds for refusal of trademark registration with the relevant cases of the IPO practice", published by the Office. On its website, SOIP announced the message of the General Director of World Intellectual Property Organization with a statement to the media.

On 26 April, in the landfill Drisla, seized products by which intellectual property rights were violated were destroyed in organization of the Coordinative body for intellectual property. After court procedures on criminal and misdemeanour charges were finished destruction of 52.700 pirated items, 1.040 liters of alcohol, 3.064 packages of cigarettes, 320 pieces of clothes and 44 packages of medicaments was realised fully transparent.



The result of a coordinated action by the Coordinative body for intellectual property in Skopje against 23 entities (15 natural and 8 legal entities) was seizure of 1.838 products (512 pairs of shoes and 1.326 pieces of textile). The State Market Inspectorate submitted 18 requests for misdemeanour procedure, imposed a mandatory sentence and one facility was closed. The Public Revenue Office issued 11 coupons for payment of a penalty in amount of 1 000 Euros in denars value for legal entity and 500 euros in the denars value for the person responsible in the legal entity.

The State Market Inspectorate in the course of its independent actions seized in total 1411 pirated items (275 were from known perpetrators while 1136 were sized from unknown perpetrators). In the activities 3 requests on misdemeanour procedure were instigated.

3.08 COMPETITION POLICY

On the 13th of April 2010, one representative of the Commission for protection of competition (CPC), attended a TAIEX seminar on Competition and the state aid in the members of CEFTA. Two representatives of CPC participated on the annual conference of the International Competition Network, held in Istanbul, Turkey. The Supreme Court of the Republic of Macedonia accepted one appeal submitted by CPC, against a decision of the Administrative Court. The Commission for protection of competition drew up opinion on the analyses for market 11, 12 and 15, made by the Electronic Communications Agency

3.09 FINANCIAL SERVICES

The Parliament adopted the Law amending the Law on fast money transfer (Official Gazette of the Republic of Macedonia no. 48/2010). Amendments of this Law envisages decreasing of amounts for establishing of fast money transfer companies from 100.000 euros to 20.000 euros. As well, the Law envisages the global system on electronic money transfer to operate in 20 countries from which 11 are members of OECD.

The Parliament adopted the Law amending the Law on securities (Official Gazette of the Republic of Macedonia no.57/2010). These amendments regulates acquiring of qualified holding in brokerage house, stock exchange and depository, in line when the person wishes to acquire qualified holding over 10%, 20%, 30% and 50% from total issued voting shares , previously needs to acquire approval from the Securities and Exchange Commission. As well these amendments envisages establishment of legal framework for establishing of Guarantee fond for compensation of investors in securities in line with the Directive 31997L0009 and establishing of Guarantee fond which will be used in situation of



inability of settlement on concluded transaction of securities.

3.10 INFORMATION SOCIETY AND MEDIA

The Agency for Electronic Communications conducted the initial analysis of market 15 on Services for access and call origination in public mobile communication networks (relevant markets for wholesale of products and services) and based on it it published on its website the Draft analysis of market 15 which is now open for public consultation. Also, on the 14th of April the Agency published the final Document on analysis of market 17 – National market for international roaming of public communication networks. As for the finalized analysis, the Agency issued decisions based on which AD Makedonski Telekom was designated as significant market power operator on markets 7, 13 and 14. The draft analysis on markets 11 and 12 were open for public consultations as of 22nd of April.

The Agency held a press conference on the 19th of April where the 4th quarterly report for 2009 was presented and the public opinion analysis on the consumer satisfaction form communication services was presented.

On the 22nd of April a Memorandum of understanding was signed between the Agency for electronic communications and equivalent regularly body from Albania.

The final consultations about the preparation of the action plan for measures and activities of the **e-Government Strategy** are in progress. These activities envisage full implementation of the strategy by 2012. Also, the Ministry of Information Society is developing and improving several **e-Government services** for the citizens and companies.

The implementation of an integrated **e-Government** document management system in the state institutions is in progress. The trainings for the system administrators are completed. Trainings for several state institutions are in course. Also trainings for the archive service from the Ministry of Information Society were launched.

Currently, the Misnitry is working on upgrading the **e-tax** system, which will enable accessibility to modern government services, by electronic interaction with the Government. These services represent fundamental tools to combat corruption and bureaucracy. The procurement of a new electronic tax system is in progress. Citizens will have the opportunity to submit annual tax returns in the same way large, medium and small taxpayers, as well as independent service providers do. They will also have the possibility to report anonymously and electronically, all irregularities regarding tax evasion and unprofessional behavior of companies.

- The web portal **e-ucebnici.mk** was launched. It contains digitally published books that can be searched by grades, titles or authors. Electronic publications allow to students in every moment, and from any place, to surmount educational contents in an



innovative and exciting way. By using information technology, teachers will prepare and present the contents.

E-Forms are being developed for 7 different state institutions and a total of over 15 forms. The purpose of the project is offering the citizens another way, via web, to seek services from state institutions. Following institutions are involved in the project: the State Statistical Office, the Health Insurance Fund, the Employment Agency, the Public Revenue Office, the Ministry of Labor and Social Policy, the Ministry of Justice and the Ministry of Interior Affairs. The forms are developed and currently, they are being tested and presented in front of the institutions which are project holders.

3.11 AGRICULTURE AND RURAL DEVELOPMENT

The new **Law on agriculture and rural development** is enacted and published (“Official Gazette of the Republic of Macedonia” No. 49/2010). The new Law provides detailed provisions for implementation of direct payment scheme concerning the type of direct payments, definition of beneficiaries, methodology of calculation, payment reductions, frequency of payment to beneficiaries and control, as well as provisions for referencing the direct payments with achievement of mandatory standards brought in line with the Regulation 73/2009. Furthermore the Law includes detailed provisions with regards to the rural development policy and its measures, as well as the provisions for programming and implementation of the state aid policy in accordance to the Regulation 1695/2006. In this respect, the Law defines conditions and principles for application of state aid in agriculture and rural development, the forms of state aid and types of state aid measures, as well as the detailed provisions for implementing each type of state aid measure in agriculture and rural development. In addition, the Law also regulates the entitlement on state aid usage, thereby defining its beneficiaries per measures, and elaborates the principles of transparency, notifications and monitoring of the state aid in the agriculture and rural development in the Republic of Macedonia.

In respect to FADN, the Standard Output Coefficients and Typology of farms based on the Standard Output Coefficients had been prepared, also **Representative Farm Sample** for FADN purposes for 2010 has been established.

In view of the recent reform of the Wine CMO within the EU, a new Law on wine was adopted by the Parliament on April 8, 2010 (Official Gazette of the Republic of Macedonia no 50/10) integrating the recent EU reforms in the sector, as well as improving the functionality of the Law, based on the lessons learned since 2004.



Preparatory activities for Agri-environmental Measure are supported with the CARDS 2006 Support to IPARD Preparation Project which started in November. With the TA assistance the draft content was established and situation analysis was performed and discussed on a wider stakeholders meetings. With the involvement of the scientific institutions several priority areas are defined for further actions to be undertaken, such as biodiversity preservation of local livestock breeds and preservation of landscapes as well as promotion of integrated agriculture practises and good agriculture practice

3.13 FISHERIES

Based on the experience gained with the implementation of the above mentioned legal acts, the Law amending the Law on Fisheries and Aquaculture is in the Parliamentary procedure second reading. Primary changes in the law were towards supplementing the law provisions on state aid in fisheries and aquaculture in accordance with EU regulations no. 32008R0736 and 32006R1198, as well as amending the penalty provisions in view of their reduction. Beside this, the amendments also introduced provisions on organization of recreational fishing and aquaculture.

3.14 TRANSPORT POLICY

In the area of Road transport safety policy, the implementation of digital tachographs is underway. Since nobody qualified on the first Call for bids for licensing and service provider for tachographs card, In April new Call has been launched.

Draft “Rulebook on the manner of execution of tasks for public road protection” has been prepared and submitted in inter institutional coordination. The Rulebook regulates the manner for task execution related with state roads protection.

The “Law on Railway system” and the “Law on Railway safety” have been adopted (Official Gazette of Republic of Macedonia 48/2010).

The laws aim at further alignment with the railway acquis and incorporate the latest recommendations from the assessment mission on railway held in November 2009. In this regard the Law on Railway safety regulate the method and the conditions to be met to achieve the safety in the railway system which includes the safety requirements, safety management of the infrastructure and the traffic operations and collaboration between the railway undertakings and the infrastructure manager, incorporating Directives 2004/49/EC, 2008/110/EC and 2007/59/EC.

The Law on railway system regulate the development of the railway traffic and the railway infrastructure, the organization of the railway system, the method and conditions for performance of the railway transport and the types of transport, the management, organization, protection of the railway infrastructure and the access to the railway



infrastructure, the collection of the track access charge, assignment of the infrastructure capacities, the network statement, establishment of the independent and autonomous regulatory body, granting and types of concessions, financing of the railway infrastructure and the services of public interest in the railway passenger transport. It incorporates following Directives: 91/440/EEC, 92/106/ EEC, 2001/12/EC, 2001/13/EC, 2001/14/EC, 2004/49/EC, 2008/110/EC, 2007/58/EC, and 2004/51/EC.

Draft Rulebook concerning types of titles as a member of the ship, special conditions for acquiring certain types of titles, things that crew members on board a particular type of title can provide, the manner, procedure and program for passing the exam to get certified has been prepared and in April has been submitted in inter institutional coordination.to acquire a separate kind of title, form and content of the certificate passed the exam and certificate acquired title as a member of the crew of the ship

The Rulebook transposes Directive 96/50/EC and regulate the conditions for acquiring title crew member on board, things that crew members on board can perform, the manner, procedure and program for passing the exam, format and content of the acquired certificate of title for the crew of the ship.

Draft Rulebook on the number and composition of members of the ship according to the type and characteristics of the ship, purpose, type and area of the navigation, has been prepared.

The Rulebook regulates the number and composition of the crew members depending of its characteristic.

On 28.04.2010, after successful completion of the negotiations, Agreement for establishment of regular air traffic between Republic of Macedonia and Qatar has been signed.

The Law amending the Law on Aviation has been submitted in parliamentary procedure. The amendments will address the remaining issues related to the obligations deriving from the first phase of implementation of the European Common Aviation Agreement (ECAA) and the Civil Aviation Agency shall be fully functionally and financially independent regulatory body.

3.15 ENERGY

Security of supply

The Strategy for energy development of the Republic of Macedonia has been adopted by



the Government of the Republic of Macedonia on 20 of April 2010 and published in Official Gazette of the Republic of Macedonia No.61/2010. It defines the most favorable long term development of the energy sector with a view of providing a reliable and good quality energy supply to the energy consumers. Also the strategy is published at the Ministry of economy's web site. In the field of oil reserves, according to the Mid-term Programme, the Annual Programme for establishment of compulsory reserves of oil and oil derivatives, construction, maintenance and buying of storage capacities is adopted by the Management Board of the Directorate for compulsory reserves of oil and oil derivatives on the 19 of April 2010. The Annual Programme regulates the establishment, storage, renewal and use of compulsory reserves of oil and oil derivatives in 2010.

Internal market

In the field of internal market, the Energy Regulatory Commission has brought the following decisions:

- 2 Decisions for the highest selling prices for different oil derivatives on every fourteen-days period in accordance with the Methodology for establishment of the prices for different oil derivatives as prescribed by the Annex D of the Agreement for purchase and sale of shares and for concession of the Oil Refinery AD "OKTA" – Skopje, signed between the Government of the Republic of Macedonia and the share hold company "EL.P.E.T. - Balkanike" as a strategic investor;
- Decision for price for selling of natural gas for the second quarter of 2010, for AD Makepetrol-Skopje
- Decision for price for selling of natural gas for the tariff customers connected to distribution system in Technological industrial development zones (DTIDZ) - Skopje for the second quarter in 2010.

The administrative capacities of the Energy Regulatory Commission have been enhanced with 2 new employments during April 2010. The following positions have been fulfilled: one Research Assistant in the Economic Department and one Specialist for computer technique.

In the framework of the IPA "Twinning Project for Institutional Strengthening of the Energy Regulatory Commission", in the period of 26th to 30 of April, a study tour to Vienna was organized and several working meetings were held between the representatives from ERC and E-Control, TUV Austria, Austrian Energy Exchange EXXA, Energy Community Secretariat and visits of Hydro Power Plant Freudenu and Electricity Control Centre Wien Sudost. The purpose of this study tour was to exchange the experience on energy regulation and to understand the functioning of the Austrian electricity market, market monitoring, data collection, quality of supply and renewable energy.



The Strategy for utilization of the renewable energy sources has entered the Governmental procedure.

Energy Efficiency

The Rulebook on the manner of issuing guarantees of origin for electricity generated by high efficiency cogeneration plant and the content, form and manner of maintaining the register of issued guarantees of origin for electricity generated from high efficiency cogeneration plants has been adopted by the Minister of economy and has been published in the Official Gazette of the Republic of Macedonia No. 56/2010, on 22 of April 2010.

According to this Rulebook and the Energy Law, the Energy Agency of the Republic of Macedonia issues the guarantees of origin, on a previous request of the interested side and maintains register of issued guarantees of origin of electricity generated from high efficiency cogeneration plants. The implementation of the Rulebook will start from 1st of July 2010.

Under the Project “Mitigation Climate Change through improving energy efficiency in buildings”, a workshop has been organized on 22 of April 2010. The aim of the workshop was to discuss the manner of collecting climate data and consumed energy data, in order to prepare proper climatological map for the country.

Nuclear protection and Radiation safety

During April 2010, the Radiation Safety Directorate (RSD) issued 12 licences for practices with ionizing radiation and realized 24 inspections. Also, the RSD issued 2 Decisions for licensing for performing health surveillance of the persons working with ionizing radiation sources; and 3 Approvals for installation of mobile stations. On 31 of March, the Law on ratification of the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management entered into force.

3.17 ECONOMIC AND MONETARY UNION

Within the statistics and activities for its continuous improvement and application of international recommendations and standards in the National Bank prepared reports on foreign exchange reserves, according to international standards and relevant methodological explanations. They are published on the website of National Bank in March 2010.



As of 1 April 2010 in order to further increase transparency regarding liquidity condition of the banking system, the National Bank started daily publication of data on the liquidity of the official website of the National Bank. The data represent a synthetic view of the situation and changes in banks' liquidity and the liquidity effect of the most important autonomous factors (cash in circulation, deposits of state and foreign currency transactions of the National Bank) and the interventions of the National Bank through the instruments of monetary regulation. In terms of activities to develop an integrated accounting system, the National Bank published a tender for procurement and implementation of the system.

In order to strengthen the administrative capacity for economic planning and designing economic policies, TAIEX applications were submitted by the Ministry of Finance relating to the following qualification: Methods and Models for planning the budget revenues in order to strengthen the capacity to create medium term macro-fiscal scenario and improve the quality of Pre-accession Economic Program, strengthening the administrative capacity for coordination and harmonisation of economic policies with those of the European Union, as well as strengthening the administrative capacity to implement a consistent set of economic policies for the successful creation and implementation of a consistent set of economic policies.

Public debt

According to the National methodology and the methodology of the International Monetary Fund, the public debt as of March 31, 2010 amounts to 2,255.4 million euros, ie 32.7% in terms of GDP, while government debt amounts to 1601.2 million or 23.2% compared to GDP. Therefore, the state debt of the Republic of Macedonia remained at a level which is well below the Maastricht criterion within, under which the general government debt must not exceed 60% of GDP. The framework that determines the policy of borrowing in the Republic of Macedonia is the Strategy for managing the public debt which relates to a period of 3 years. Draft Strategy for Public Debt Management for the period 2010 - 2012 was approved by the Government and is in the process of adoption by the Parliament. According to the Law on public debt are defined the following targets: Midterm targets for the period from 2010 to 2012: The level of total public debt in the next three years does not exceed 40% of gross domestic product. The level of government debt over the next three years does not exceed 30% of gross domestic product. The amount of the guaranteed public debt over the next three years should not exceed a level of 10% of gross domestic product. Member of the Euro-denominated debt to total public debt is below 70%.

3.18 STATISTICS



The IT infrastructure is significantly strengthened by purchasing servers, PCs and by strengthening the backbone of the local computer network (1Gbps) through the EU funded project IPA 2007. Within the same project, as part of the national co-financing, handheld computers were bought which will be used for price statistics data collection, as well as laptops primarily intended for giving presentations and other educational activities. In order to provide appropriate support during seminars, workshops and other trainings held in the State Statistical Office (SSO), projection equipment and an interactive table were also purchased.

After adopting the inception report for the EU funded project “Technical assistance to the State Statistical Office”, the Terms of Reference were prepared in order to approve the profiles of the proposed short-term experts. Also, detailed Terms of Reference and time schedule were prepared for the missions of the second quarter of 2010.

The sample for the Survey on Income and Living Conditions (SILC) was prepared. The interviewers, who will participate in conducting the survey, were trained. The survey will begin in May 2010. It is planned the data collection to last three months.

The veterinary Directorate and the Ministry of Agriculture, Forestry and Water Management sent the data to the SSO that represent the basis for updating the statistical farm register of the Republic of Macedonia. On the basis of the data received the preparation of the application solution for linking the administrative sources data with the statistical farm register data. The typology of the agricultural holdings is prepared on a higher one-digit level, while the activities for extending the typology on a lower two-digit level are ongoing.

The Labour Force Survey data for 2009, with quarterly periodicity, were transcoded and transmitted to Eurostat.

The Labour Cost Survey data for 2008 were transcoded and transmitted to Eurostat.

An Annex to the Memorandum on Understanding and Cooperation in the area of macroeconomic and financial statistics between the SSO, the National Bank of the Republic of Macedonia and the Ministry of Finance.

3.19 SOCIAL POLICY AND EMPLOYMENT

The Law amending the Law on employment and insurance in case of unemployment was adopted by the Parliament of the Republic of Macedonia and was published in “Official



Gazette of the Republic of Macedonia” no. 50/2010. This Law transposes the following 5 Directives: 97/80/EC, 2000/43/EC, 86/613/EC, 2004/38/EC, 2006/123/EC, also the Regulation 1612/68/EC and the Decision of the Commission 2003/8/EC.

In cooperation with the Regional office of the International Labour Organization (ILO) a workshop was held, attended by representatives of registered trade unions and employers associations in order to intensify the process of determining the representation of social partners, to accelerate the process of establishment of the Economic and Social Council of the Republic of Macedonia before holding the Regional conference on social dialogue, planned for the end of June in Ohrid.

The Rulebook for minimum requirements on protection of safety and health at work of workers from the risks related to exposure to chemical substances, was adopted and published in “Official Gazette of the Republic of Macedonia” no. 46/2010, transposing Directives 98/24/EC and 2000/39/EC for chemical substances and Directive 91/322/EEC for establishing indicative limit values risks related to exposure to dangerous gases, vapours, and aerosols at work.

Expert support from Republic of Slovenia, through the TAIEX instrument of European Union, was provided in the process of transposition of the Directive 2000/54/EC on the protection of workers from exposure biological agents at work.

The Council for Safety and Health at Work, a governmental expert advisory body on this area, held his first constitute meeting where were elected the bodies of the Council.

Macedonian association for protection at work, organized several events on the occasion of April 28 – World day for Safety and Health at Work, participants were representatives of social partners, representatives from the countries of the region, the Kingdom of Norway and ILO.

Within the procedure for determining the representation of trade unions and employers associations, according the Law of working relations The Commission for determining the representation of trade unions and employers associations during this month held two meetings, where were reviewed two requests for determining the representation of employers associations and 13 trade union demands.

Seminar about “Social Dialogue” was organized by the International Labour Organization (ILO) dedicated to the media. Social partners registered on higher level had the opportunity to present their observations on the functioning of social dialogue in the country and also to hear good practices that regulate this issue, presented by experts of the ILO.



Capacities of the Operating structure for IPA component 4, in the Ministry of Labour and Social Policy of the Republic of Macedonia, have been strengthened with two new employments in the area of programming and monitoring.

The Draft version of the Strategy for reducing poverty and social exclusion in Republic of Macedonia is prepared, which covers five priority areas: employment, education, health, long term care and social housing. The Strategy comes as a result of the consultative process, among relevant institutions at national and local level, social partners, including active and vulnerable social categories of population and NGO sector.

Contract for realization the Program for economic empowerment of 125 women – victims of domestic violence was signed between Ministry of Labour and Social Policy a pilot municipalities of Skopje, Bitola, Kavadarci, Kumanovo and Tetovo.

According the Program for scholarship and mentoring of Roma pupils from first to third year of secondary education, 600 hundred scholarships were awarded to Roma pupils, with a grade average that exceeds 3.00.

The Information on implementation of the Law on Juvenile Justice in the system of social protection was prepared and it is sent to the State Council of Prevention of Juvenile Delinquency.

The law on prevention and protection against discrimination was adopted by the Parliament of the Republic of Macedonia and was published in “Official Gazette of the Republic of Macedonia” no. 50/2010, transposing the Directive 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial and ethnic origin and Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation.

3.21 TRANS-EUROPEAN NETWORKS

The Government of the Republic of Macedonia adopted the Information for the 3rd Update of the National Transport Strategy (2007-2017), according to the information, the Ministry of transport and communication will give brief report about the percentage of realized aims planned in the strategy.

The activities planned in this subchapter are midterm and they are ongoing.



3.22 REGIONAL POLICY AND COORDINATION OF STRUCTURAL INSTRUMENTS

Within the area of legislative framework activities are ongoing for revision of the Decree on determining the mutual relations between the bodies and the structures for the decentralized management of the first four components in accordance with the EU Instrument for Pre Accession (IPA).

The revision is twofold, to encompass organizational set up of the established Internal Revision Unit for IPA in the Ministry of finance, as well as changes to be introduced regarding appointment of the Chief of the Operative Structure following recent recommendations of DG REGIO and DG EMPLOY.

In the area of national regional policy implementation on 20.04.2010 the Action plan for implementation of the Strategy for Regional Development has been adopted by the Government of the Republic of Macedonia.

The Action plan introduces the priorities to be implemented in next three years, focused on incentives for economic development in the planning regions, development of comparative advantages and infrastructure to be financed by national funds and foreign donors.

In regard of administrative capacities strengthening, Operative structure for IPA Regional Development component has been strengthened with Head of IPA Unit within the Ministry for Environment and Physical Planning as from 14 of April 2010. This position has been emphasized as crucial by EU revision missions.

Respectively, within Ministry for Labor and Social Policy one Advisor for Monitoring of Projects for IPA Components I and IV and Advisor for Programming of IPA component IV have been recruited.

In regard to the *revision of the Operational Programme for Human Recourses Development*, the text of the Document was continuously improved by the Operating Structure in consultation with the EC services. Furthermore, the proposal for OPHRD modification was agreed on Sectoral Monitoring Committee meeting held on 24 March 2010 and decision was taken Operating Structure to proceed with the modification of the OPHRD with intervention in the text of the Programme itself. The Strategic Coordinator shall officially submit the consolidated version of the modified OPHRD (2007-2013) to EC services (DG EMPL) in April/ May 2010.

In the area of Monitoring and Evaluation, establishment of the Management Information System is underway.

The system will provide detailed and regular overview of project preparation status as well as project monitoring and evaluation in the implementation stage. The system will also provide data for Operative structures and institutions involved in DIS.



MIS system will use technical support for institutional capacities building in the framework of IPA - TAIB (2007-2009), for which technical specification has been prepared and Call for Bids has been announced in the end of March. Final deadline for bids submission is May 2010. After procurement of the system it is expected to be put in place till the end of 2010.

3.23 COOPERATION IN THE FIELD OF JUDICIARY AND FUNDAMENTAL RIGHTS

On the session held on 23.04.2010 six new judges for the Basic courts have been elected, of which one is the candidate from the first generation of the Academy. Hence, the Judicial Council completed the election of 15 candidates from the first generation according to the plan. Furthermore, three judges have been appointed from the second generation which means that now 4 judges from the second generation are already appointed. According to 23.04.2010, 189 judges have been elected so far (15 of them candidates from the Academy – first generation, and 4 from the second generation) and 667 vacancies for judges filled.

Moreover, 31 presidents of courts have been elected. 64 procedures have been initiated, of which 55 for incompetent and unprofessional behaviour of judicial duty, and 7 disciplinary procedures which were completed by 29 dismissed judges, 6 resigned, and 40 judges have been retired.

The Judicial Budgetary Council adopted its 2009 Annual Report on the session held on 15.04.2010.

The Academy of Judges and Prosecutors in cooperation with the World Bank in the period 6-8 April 2010 organised training on extended confiscation and criminal liability of legal persons. Data on declarations of assets and cases on conflict of interest are enclosed.

Fundamental rights

The 2009 Annual report for the work of Directorate for personal data protection was adopted by the Assembly on 21.04.2010.

According to the Action plan for training of the employees from the Directorate the following trainings have been conducted:

- training for senior public servants (one civil servant from the Directorate)
- meeting of the WG on Personal Data Protection in Telecommunications
- One civil servant as an intern resides in the competent authority for protection of personal data in Slovenia.
- Two civil servants attended the e-government training
- Through ILECU one civil servant attended training in the MOI
- One civil servant attended the Spring Conference of the bodies for the protection of personal data in the EU (2 days in Prague)



Draft amendments to the Law on Personal Data Protection are prepared.

3.24 JUSTICE, FREEDOM AND SECURITY

The texts of Protocols for implementation of the Agreement on Readmission of Republic of Macedonia with Austria and Benelux have been harmonized.

By amending the Rulebook on internal organization and work of the Ministry of Labor and Social Policy, a legal base for functioning of the Centre for Integration within the Ministry was ensured.

During April 2010 (23.04.2010 inclusive) the Unit for Asylum within MoI has brought:

- 88 Decrees on continuation of subsidiary protection status
- 4 Conclusions for stopping the procedure
- 2 Decrees for determination of subsidiary protection status
- 19 Identification documents for asylum seekers
- 107 Identification documents for persons under subsidiary protection
- 1 travel document for child of recognized refugee, who has gained status based on family reunification.
- 26 yellow cards for persons with suspended return

44 members of the border police, from the Regional Centers South and East were trained by the employees of the Unit for Asylum, regarding "Reception and Treatment of Asylum Seekers" in Republic of Macedonia.

The Protocol for cooperation between the Ministry of Justice of Republic of Macedonia and the Ministry of Justice of Bosnia and Herzegovina was approved.

A working group within the Ministry of Interior was established, tasked to analyze the current situation in the area of money laundering, to identify the shortcomings in practice, to determine the need of harmonization with international standards and propose a solution to overcome the problems in this area.

3.25 SCIENCE AND RESEARCH

The Rulebook on the manner and procedure of keeping databases, deriving from the Law on scientific research activity, was adopted and published ("Official Gazette of the Republic of Macedonia" no. 52/10).



Several activities in the area of scientific research development are underway:

- selection of candidates applying the call for granting scholarships for the second cycle studies is in process.
- selection of 40 projects proposals from the annual programs for scientific research activity of the public scientific institutions for 2010
- selection of 386 project proposals for financing scientific research projects for 2010, from the state universities, public and private scientific institutions, private universities, individual researchers and centers of excellence

3.26 EDUCATION AND CULTURE

Vocational education and training

Several activities were realized within the planned reforms in the area of vocational education and training in the reported period:

- 14 occupational standards form the technical education were developed
- 61 examination syllabi for vertical mobility of pupils from 3-year to 4-year education were prepared
- the process of preparation of the Strategy for development of the VET Center is underway – 6 priority areas defined
- An action plan for the activities from the IPA, Component IV Multi-annual Operational Programme “Human Resources Development” 2007-2013, Priority Axis 2, Measure 2.1. Modernizing the educational and training system was prepared.

For the purpose of strengthening the capacities of CVET employees trainings were delivered on leadership – personal management supported by world learning USAID – program for human and institutional development.

In regards to developing the regional cooperation in VET, a Memorandum of Understanding between the VET center and the National agency for VET from Albania was signed.

Community programmes

Tempus, Erasmus Mundus

The Third Call was officially closed on 9 March 2010. The submission of applications was electronically and according to the provisional statistics received by the Executive Agency for Education, Audiovisual and Culture there are a total of 73 eligible project applications for the countries from the Western Balkan region, which currently undergo technical and



academic assessment.

In the reported period submission of the applications for the three actions of the Erasmus Mundus programme was realised and the public call officially closed at 30th of April.

Life long learning and Youth in Action

The Management Board of the National Agency for European educational programs and mobility appointed a new Director of the National Agency, on the 14th of April 2010.

The report prepared on the basis of the internal audit, conducted by the Ministry of Education and Science, on the functioning of the National Agency, was finalised and has been communicated with the DG Education and Culture, along with other relevant documents, on the 19th of April. There is ongoing audit procedure conducted by a certified external independent audit body. The report is expected to be ready by the following week at the latest.

3.27 ENVIRONMENT

The Law amending the Law on Environment was adopted (“Official Gazette of the Republic of Macedonia” No. 48/2010). These amendments further transpose EU Directive 32001L0042, elaborate in more details the principle “administration silence” and adjusted the amount of charges for motor vehicles and vessels according to the requirements of the Law on Mandatory Traffic Insurance.

Regarding EIA procedure, a decision on consent for the project Rope railway Skopje Vodno was granted on 19th of April.

Workshop on “EU integration in chapter 3.27 Environment” was held in Skopje on 7th of April 2010, in organisation of MEPP and NGO 4x4x4 Balkan Bridges. Representatives of the environmental NGO sector in Macedonia (21 NGO) as well as representatives of the responsible institutions participated. This workshop represented forum for information exchange and discussion on the progress in harmonization of the national environmental legislation with the EU *acquis*, the degree of its implementation, as well as necessary activities for adaptations on national level for achieving progress in the EU integration in this chapter.

Third national training for the representatives of the State Environmental Inspectorate (SEI) within the frames of ECENA Network took place in Strumica on 22-24th of April.

The capacities of the Hydro-meteorological Directorate (HMD) were strengthened with new IT equipment in amount of 1.2 million denars. HMD submitted letter of intent for membership in the European Centre for Medium-Range Weather Forecasts (ECMWF). The bilateral cooperation continues to be strengthened by signed Memorandum of understanding and cooperation with the National Institute for meteorology and hydrology of Bulgarian Academy of science (9th of April) and the Federal Hydro-meteorological



Institute of Bosnia and Herzegovina (29th of April).

In the area of civil protection, the Action Plan for realization of the National Strategy for Protection and Rescue was adopted and 13 new teams for rapid response were established, thus the total number reached 58 out of the foreseen 64. The first issue of the protection and rescue Magazine was published. Its aim is to foster public awareness and it will be published four times per year.

10 employees of the Crises Management Centre participated on 3 different trainings (financial management and control, reporting and communication skills and crises management and coordination).

The status of total number of identified business entities in the cadastre for environment is 1950 and the total number of imported questionnaires is 968.

The alignment of the national legislation with the EU *acquis* continued with List of illustrative examples for packaging ("Official Gazette of the Republic of Macedonia" No. 52/2010). This adopted bylaw transposes Annex 1 of Directive 31994L0062 amended with 32004L0012 and enumerates the illustrative examples of packaging under 3 criteria such as: sweet boxes, film overwrap around a CD case, tool boxes, tea bags, was layers around cheese, sausage skins, paper or plastic carrier bags, disposable plates and cups etc. In addition, a Rulebook on the conditions as well as the types of packaging indicating that the packaging is with long life span ("Official Gazette of the Republic of Macedonia" No. 48/2010) was adopted. Packaging with long life span, according to this Rulebook, are those objects that can not be damaged or their user value changed at their manipulations if they fulfil the following 3 cumulative conditions: it is proved that they are products for permanent use, their average use time is at least 5 years and usually are discharged as waste with the goods that it is in the packaging, after the goods' utilization is over. This bylaw also enumerates several items that are considered to fulfil the above listed criteria.

Public call for competitive dialogue No.1 for issuing a concession for financing, designing, building and operating a regional landfill for municipal solid waste in the South-Eastern Macedonia (Phase I) was published.

MEPP and Swedish Environment Protection Agency (SEPA) signed an Agreement for cooperation in a project for preparation of Programme on illegal waste dump sites closure, as well as strengthening the capacities of the SEI for inspection supervision in the area of landfills.

In the area of **nature**, the project "Promotion of agriculture with high natural values (HNV) and agri-ecological payments by NGOs" was promoted on a workshop in Skopje and 70 representatives of the relevant institutions, faculties, NGOs participated. Study for development of cross-border monitoring system of Prespa Park was developed and it determines the monitoring parameters, activities; dynamic, institutions to be involved in the monitoring as well as the necessary monitoring equipment.



The annual report of used quantities of ozone depleting substances in 2009 was prepared, as well as the annual report on collected, refined and recycled quantities of cooler fluids in 2009.

3.28 CONSUMER AND HEALTH PROTECTION

During April 2010 the following activities took place: 7 regional forums (in Gostivar, Prilep, Veles, Kocani, Stumica, Struga, Krusevo) and a conference in Skopje on the implemenatiton of the Law on Consumer Protection and the problems that consumers face when filing complaints with the inspection services. Through discussions with the bussines sector, NGOs and the institutions responsible for implementation of the Law on Consumer Protection, these forums facilitate the problem identification and serve as a guideline for necessary changes having in mind the harmonisation of the law with the Directive 32005L0029 on unfair commercial practies and the Directive 31998L0027 on injunctions.

3.29 CUSTOMS UNION

Legal framework for binding electronic customs declaration adopted

Amendments to the Customs Code are in a procedure of adoption (they are expected to be passed in April 2010), stipulating harmonization with the EU Customs Code, EU Council Regulation no. 2913/1992 and the amendments to the Regulations 82/97, 955/1999, 2700/2000, 648/2005 and 1791/2006, thus establishing legal grounds for implementation of the new electronic Customs Declaration Processing System (CDPS) in the Customs Administration. Binding electronic customs declaration and summary import and summary export declarations are introduced. There are ongoing preparations of accountancy rules related to the import duties, in conformity with the EU legislation.

Besides the above-mentioned, the amendments to the Customs Code envisage abolition of the authorizations granted by the Customs Administration to legal entities for carrying out representation activities in customs procedures, elimination of the concept – high-risk person, which used to apply for withdrawal of the authorisations for representation in customs procedures from legal entities, as well as transfer of the provisions related to a single customs duty rate of customs duty to the Customs Tariff Law.



Fixed criteria which are to be fulfilled by the Director General

Amendments of the Law on the Customs Administration ((Official Gazette of the Republic of Macedonia no. 48 of 09.04.2010), these amendments define the conditions for appointment of Director General and Deputy Director General of the Customs Administration and regulate the terms under which their mandate may be terminated (provisions which do not exist in the existing Law on the Customs Administration). The proposed amendments provide for selection of professionals for these two job posts/functions, while the regulation of the terms for termination of their mandate ensures greater apprehension and accountability.

ICT Development Strategy

In order to ensure coordinated and timely development of its ICT systems, in cooperation with experts engaged under the IPA 2007 programme, a new ICT Development Strategy has been drawn up, its essential objective being development of an ICT service and an integrated IT system environment, in conformity with EU and other international standards, which will entirely support the business strategy of the Customs Administration, facilitate trade and transport and ensure risk-management, and make sure that the work, in terms of investments is performed with highest efficiency.

The objectives of the ICT Strategy derive from the business strategy, established in the Strategic Plan of the of the Customs Administration and its Action Plans, the National Plan for the Adoption of the Acquis, the multi-annual indicative planning document for development of e-customs projects, modernized EU Customs Code and its Implementing Regulation, as well as the recommendations of the DG TAXUD Monitoring Mission on IT awareness. The ICT Strategy covers all aspects for project planning, laid down by the European Commission in the area of interoperability of the customs systems it exhaustively elaborates the Interoperability Implementation Strategy.

On grounds of the business objectives and the current status of the ICT systems, the needs for further development of the ICT systems have been identified. Apart from the needs for technological development, the necessary organisational, human and financial resources have also been identified. Methodologies to ensure the projects and their quality, as well as the technical policies and the operational environment have been determined.

Strategy for Interoperability with the EU Customs Systems

In cooperation with the consultants engaged under the IPA 2007 programme, an Interoperability Implementation Strategy has been drawn up, being an integral part of the ICT Strategy of the Customs Administration. This document includes plans for the



forthcoming projects:

- New Computerised Transit System;
- Integrated Tariff Environment, including: Combined Nomenclature, TARIC, electronic Binding Tariff Information, Tariff Quota and Surveillance, European Customs Inventory of Chemical Substances, Suspensions, Specimen Management System, Data Dissemination System;
- Excise management and control system;
- Automated export system;
- Automated import system;
- Customs portal, and other systems.

The plans have been prepared on grounds of the existing Project Fiches under the IPA programmes, other relevant plans, European Commission Regulations (multi-annual indicative planning document), Modernised Customs Code and its Implementing Regulations, as well as the recommendations of the DG TAXUD Monitoring Mission on IT awareness.

Draft versions of the project objectives, detailed organization plans, project methodologies including plans for the necessary resources have been prepared.

3.31 FOREIGN, SECURITY AND DEFENCE POLICY

Regarding country's participation in EU's Battle Groups concept, Republic of Macedonia signed the Letter on Intentions for cooperation with the EU Battle Group-2012.

In terms of strengthening the administrative capacities, participation of five persons in the Training Program for representatives from SAP countries in the ESDP area, was ensured. The first module will take place in Brussels in the period 28.06.2010 to 02.07.2010 and the second module in Montenegro. Participation of two persons in the training program organized by European college on security and the Ministry of Defense of Slovenia, was defined as well.

Regarding the implementation of the restrictive measures, the second meeting of the working group tasked to prepare the amendments to the Law on International Restrictive Measures took place on 22.04.2010. On the meeting the text of the General Provisions and the Article referring to procedures on implementation of the restrictive measures was determined.

Concerning the nonproliferation activities, the Ministry of Foreign Affairs prepared Information on acceptance of the EU's Common Position 2008/944/CFSP of 8 December 2008 on defining common rules governing control of exports of military technology and equipment, which is in inter-ministerial consultations. The Information elaborates the



current situation in this area and the benefits arising from the acceptance of the aforementioned Common Position by Republic of Macedonia.

The text of the Agreement between Republic of Macedonia and France on exchange and protection of classified information passed the governmental procedure and the should be signed until June 2010.

PUBLIC INFORMATION AND COMMUNICATION ACTIVITIES

As part of the activities for celebration of the Europe Day, the Secretariat for European Affairs hosted the first European Breakfast for representatives of the domestic institutions, international community, media, civil society and other stakeholders involved in the process of European integration.

The SEA website registered 5478 hits. The two public information campaigns “Learning about the EU” and Going Local continued with their regular activities. The SEA newsletter is published on the following link.

The latest edition of SEA newsletter can be found on the following link <http://www.sep.gov.mk/Default.aspx?ControlID=Bilteni.ascx&godina=2009>.

IV. DATA

REPORT ON ENFORCEMENT OF SPECIAL INVESTIGATIVE MEASURES IN 2010

During the four months in 2010, Public Prosecutor's Office enforced the special investigative measures indicated in Article 142-d with respect to Article 142-b of the Law on Criminal Procedure, in **23 cases**. Eight cases out of them – for which 13 orders were issued by an investigative judge (for 56 persons) referred to enforcement of special investigative measure referred to in Article 142-b, paragraph 1, item 1 of the LCP, pursuant to the Law on Interception of Communications.

All cases were registered in the 2010 record books.

Below is presented analysis of 23 cases in which special investigative measures were enforced.

Upon request by MoI, prosecution office issued **11 order** for enforcement of special investigative measures when perpetrators of criminal offences was unknown and submitted **13 proposals** to investigative judge for enforcement of special investigative measures against identified persons, which requests were approved by the investigative judge and **13 orders** were issued by the investigative judge. Prosecution office also submitted **13 requests** to investigative judge for enforcement of special investigative measures against identified and unknown persons, which requests were approved by the investigative judge and **13 orders** were issued by the investigative judge for enforcement of special investigative measure referred to in Article 142-b, paragraph 1, item 1 of the LCP, pursuant to the Law on Interception of Communications.

The Tables shows the number of orders and proposals in 2010:

	Proposals to investigative judge/orders by investigative judge	Orders issued by the prosecution office
2010	26	11

An order or proposal may include more special investigative measures and cover more persons. An order issued by the prosecution office or a proposal to the investigative judge, or both, can be enforced for a single case.

Orders issued by the prosecution office refer to the following special investigative measures:

- acces (insight) and search of computer system, confiscation of computer system or its part or data storage base – /

- secret surveillance, monitoring and visual and sound recording of persons and objects by using technical devices –**11 cases**

- ostensible (simulated) purchase of goods, as well as ostensible (simulated) giving of a bribe and ostensible (simulated) receiving of a bribe – **7 cases**

- controlled delivery and transportation of persons and goods – **1 cases**

- use of persons with undercover identity to monitor and collect information and data – **5 cases**

- registration of ostensible (simulated) legal entity or use of existing legal entities for the purpose of collecting information - /

Proposals submitted to the investigative judge by the prosecution office refer to the following special investigative measures:

- interception of communications and entry in a home and in other premises or in means of transportation for the purpose of creating conditions for intercepting communications, under terms and conditions and the procedure stipulated by law – **13 case**

- review and search of computer system, confiscation of computer system or its part or data storage base – **1**

- secret surveillance and visual and sound recording of persons and objects with technical devices – **12 case**

- ostensible (simulated) purchase of goods, as well as ostensible (simulated) giving of a bribe and ostensible (simulated) receiving of a bribe – **8 case**

- controlled delivery and transportation of persons and goods – **1 case**

- use of persons with undercover identity to monitor and collect information and data – **4 case**

- registration of ostensible (simulated) legal entity or use of existing legal entities for the purpose of collecting information - /

Orders and proposals for enforcement of special investigative measures are issued on the basis of reasonable doubts for perpetration of the following criminal offences connected to **corruption and organised crime:**

- Unauthorised Production and Putting into Circulation of Narcotics, Psychotropic Substances and Precursors, Article 215 of the Criminal Code;
- Criminal Association, Article 394 of the Criminal Code;
- Unauthorised Manufacturing, Holding and Trading in Arms or in Explosive Substances, Article 396 of the Criminal Code;
- Counterfeiting money Article 268 of the Criminal Code;
- Receiving Bribe, Article 357 of the Criminal Code;
- Illegal Interceding, Article 359 of the Criminal Code;
- Abuse of Office or Official Authority, Article 353 of the Criminal Code;
- Terrorism, Article 313 of the Criminal Code;
- Giving a bribe, Article 358 of the Criminal Code;
- Attack upon an official person when performing security activities, Article 383 of the Criminal Code;
- Falsifying a document, Article 378 of the Criminal Code;
- Damage or destruction of goods under temporary protection or cultural heritage or natural rarities, Article 264 of the Criminal Code;

- Export of goods under temporary protection or cultural heritage or natural rarities, Article 266 of the Criminal Code;
- Trafficking, Article 278 of the Criminal Code;

Results from the cases in which special investigative measures were enforced:

In the course of 2010, three corruption case against 12 persons was successfully realised, and MoI lodged criminal charges. Three request for investigation against 12 persons in these three cases were submitted for criminal offence - Unauthorised Production and Putting into Circulation of Narcotics, Psychotropic Substances and Precursors, Article 215 of the Criminal Codeanr.

NOTE: In the report of March 2010 a clerical error has been made in terms of the realized cases in which a special investigation measures were applied. So, for this period the real situation is as following:

In the course of 2010, three corruption case against 12 persons was successfully realised, and MoI lodged criminal charges. Three request for investigation against 12 persons in these three cases were submitted for criminal offence - Unauthorised Production and Putting into Circulation of Narcotics, Psychotropic Substances and Precursors, Article 215 of the Criminal Codeanr.

NOTE: In April 2010, we had the same number of realized cases couserued special investigation measures, as previous mounth.

2010	RECEIVED CASES						COMPLETED CASES										MEASURES			
MONTH	Upon a SCPC initiative	request from the authority where the official is employed	request from the official him/herself	Complaints submitted by other persons	Anonymous complaint	received	Upon a SCPC initiative		request from the authority where the official is employed		request from the official him/herself		Complaints submitted by other persons		Anonymous complaint		Number of completed cases	public reprimand	initiative for dismissal of office	initiative for disciplinary procedure for determination of disciplinary offence
							conflict of interests established	no conflict of interests established	conflict of interests established	no conflict of interests established	conflict of interests established	no conflict of interests established	conflict of interests established	no conflict of interests established						
Януари	0	1	0	2	4	7	0	0	1	2	0	1	1	2	0	3	10	1	0	0
Февруари	0	1	0	4	3	8	1	0	0	0	0	0	0	0	0	0	1	1	1	0
Март	0	1	1	2	2	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Април	3	0	2	6	2	13	0	2	2	0	0	0	0	6	0	1	11	0	0	0
Мај						0											0			
Јуни						0											0			
Јули						0											0			
Август						0											0			
Септември						0											0			
Октомври						0											0			
Ноември						0											0			
Декември						0											0			
ВКУПНО	3	3	3	14	11	34	1	2	3	2	0	1	1	8	0	4	22	2	1	0

