



Republic of Macedonia
Government of the Republic of Macedonia
Secretariat for European Affairs



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



I POLITICAL CRITERIA

1.1 Democracy and Rule of Law

Assembly

The National Council on Euro-integration during June held one session on the status of the accession process of the Republic of Macedonia after the Summit of the European Council (held on 17 June 2010).

In the reported period a Debate was held in the Assembly of the Republic of Macedonia with the representatives from the NGO on the status of the accession process of the Republic of Macedonia to the European Union.

Public Administration Reform

On the last, 7th meeting of the Stabilization and Association Committee the two sides, the European Union and the Republic of Macedonia agreed on setting up of a Special Group on Public Administration Reform. The Government has already taken the necessary steps to establish a working group on this matter and preliminary meetings are already underway.

In June, 17 public announcements were published (13 public and 4 internal) for employing 54 civil servants.

A total of 10 disciplinary procedures have been initiated, 9 of which in the central government bodies and 1 in the local self-government units. All procedures are ongoing.

In the period 01.06.2010 -30.06.2010, the Second Instance Commission on appeals and complaints of civil servants received a total of 82 complaints on the following grounds: Assigning to a job: total 7, of which 1 complaint was accepted, 4 rejected and 2 withdrawn; Termination of employment: total 9, of which 7 accepted and 2 rejected; Selection upon employment announcement: total 47, of which all 47 were rejected; Disciplinary procedure: total 5, of which 3 accepted and 2 rejected; Civil servant assessment: total 13, of which 9 accepted, 3 rejected, 1 returned back to the body for proceeding.

Until the end of June 2010, CSA received a total of 102 reports on civil servants assessment for 2009, of which 48 were from the central government and 54 from the local self-government.

On 18 June the Memorandum for cooperation between the Agency for civil servants and the Secretariat for European affairs with the French Government for continuation of the High administrative formation III was signed.

Several trainings on different topics for civil servants from the central and local bodies were held. The fourth module of the training on development of managing capacities of civil servants was conducted on 8-9.06.2010 where 22 civil servants coming from 15 bodies participated. 19 representatives from local and central bodies participated at the two day training on the procedure for selection and employment of civil servants which took place in Skopje on 2-3.06.2010. Training on the Register for civil servants was also conducted encompassing 8 representatives from the central bodies. On 11-12 June representatives from 10 municipalities and 3 central bodies participated on a workshop related to E-Government, while on 15-16 June 14 representatives participated on training for Management of the Budget and finances.

On 08.06.2010, the Government of the Republic of Macedonia through the Secretariat of European affairs for the 8th time published the announcement for scholarships for post-graduate studies in the area of European policies, EU law and economy for the year 2010/11. For better information regarding the conditions for applying an information day was organized on 23.06.2010 in the premises of the SEA.

The General Secretariat (Unit for cooperation with the NGOs) prepared monthly Information on the realised meetings of the ministries with the respective NGOs regarding future activities and further opportunities for cooperation.

Regarding the IPA 2011 consultative process, the draft project ideas were published on the www.nvosorabotka.gov.mk (web site of the General Secretariat - Unit for cooperation with the NGOs). NGOs were invited to fill out a form and submit their comments and suggestions by 18.06.2010 in the early programming phase before defining the final list of projects.

Received comments have been sent to the relevant potential beneficiary institutions at their attention.

Fourteen NGOs submitted their comments and have been invited on the consultation meeting in the Government/SEA aimed at constructive discussion towards sustainable and constructive project ideas.

Until 19 July 2010 the ministries are obliged to submit their regular monthly information regarding realised meetings with representatives from the NGOs.

Police Reform

Commanders of the Police Stations of general competence Gazi Baba and Prilep were appointed according to the Law on Police.

All members of the Ministry of Interior were introduced with the provisions of Article 128 from the Law on Internal Affairs. The campaigns are continuously ongoing.

On 07.06.2010, the second Regional training on topic "Corruption in the public sector" started in the Training Centre within the Bureau for Public Security in Mol. The training is continuation of the Project for conducting regional trainings for police officers from respective services from Macedonia, Slovenia, Serbia, Montenegro, Bulgaria, Albania, Croatia, Moldavia, Hungary and Romania.

According the Annual program, on 17.06.2010 training on topic "Protection of human rights during conducting the police authorizations" took place in the Training Centre. The training was organized by the Sector for Internal Control in Mol and participants were members of the Special tasks unit, Unit for rapid deployment and the Special mobile unit of the Police-Alfi.

On 20.06.2010 in Ohrid started the international meeting of police experts in the area of human rights, on topic "Transparent career system in a democratic police". The meeting was organized by the Bureau for Public Security within Mol and OSCE mission in Macedonia.

Fight against corruption

With respect to the work in the cases for conflict of interests, in the State Commission in the period from January 2010 to June 2010, 77 new cases are accepted, out of which 52 were completed. In 8 of them it was established that there is conflict of interest, after which SCPC request from the persons to remove the conflict of interests within the time limits prescribed by law.

In the period from January 2010 to June 2010, 285 declarations of assets upon appointment to function, 28 declarations after termination of the service, 17 for change of function, 2 for re-election and 71 for changes in the property status were submitted to the State commission for prevention of corruption. 28 misdemeanours procedures were initiated for omission to submit the questionnaire, 26 decisions were received, 18 procedures for examining the property status have been started and 9 procedures were terminated. In the data base until June 2010 a total of 2299 declarations were introduced, while 2028 declarations were published on the web-site.

On 18.06.2010 the Annual conference for the level of fulfilment of the State programme for prevention and repression of corruption was held.

The immovable property of the former director of the Custom administration who was condemned to 7 years imprisonment for the criminal offence of misuse of official position and of the head of the Finance sector who was condemned to 4 years and 10 month for the criminal offence of misuse of the official position and counterfeiting of documents in total amount of 43. 628.100, 00 denars was confiscated.

In the period January 2010 – June 2010 special investigative measures from the Article 142-b of the Law on Criminal Procedure were applied in 38 cases. 95 orders were issued (22 orders by the public prosecutor for persons with unknown identity , 45 orders by investigative judge for the SIM from the Art. 142 - b par.1 item 1 of the LCP - Interception of communications and entering the home and other premises or in vehicles in order to create conditions for the interception of communications under the conditions and procedure stipulated by the Law on the Interception of communications , a 28 orders are issued by the investigative judge for application of SIM of the Art.1 –b par.1 items 2 , 3 , 4 , 5 , 6 , 7 , 8 against persons with known identity.

Out of 38 cases, 31 are in the competence of Public Prosecutors' Office for organised crime and corruption and 7 cases in the competence of other public prosecutors' offices in RM.

On 11 June the State Commission for Prevention of Corruption has organised public debate on the topic " Political Interference in the State and Public Administration" with active participation of the diplomatic core, academia, NGOs and public administration.

On 18 June SCPC held the Third Annual Conference for evaluation of the realization of the State Programme for Prevention of Corruption with the representatives from the Parliament, Government, judiciary, local self-government, media and NGOs. The level of realization of the Programme has been discussed as well as the guidelines and envisaged steps for preparation of the new state Programme and Action Plan.

SCPC submitted 40 misdemeanour charges to persons obliged to submit conflict of interest statements, of which one MP, 26 judges and 13 mayors. According to the Art. 20 of the Law on Prevention of Conflict of Interest officials were obliged to submit to the SCPC conflict of interest statements until 7.03.2010.

The first anti - corruption office has been open in the premises of the Faculty of Economics - Skopje (University Ss. Cyril and Methodius), indicating the official start of fight against corruption campaign in the higher education. It is envisaged that the reported information on corruption shall be submitted to the anti-corruption office in the Ministry of Education in order appropriate measures to be undertaken by the competent institutions according to the type of charge or complaint.

In the court processed cases on corruption the following measures have been sentenced: confiscation of property, confiscation of real estate, resources, prohibition for disposal of securities, prohibition for performing duty or responsibility and reimbursement:

- In the course of 2010 for the criminal act of corruption in the "Bachilo case" among the sentenced measures construction land has been confiscated with surface area of 187.194,00m² as well as financial resources amount to 56.564.476,00 MKD and transferred into the Budget of the RM.
- The owner of the private company sentenced for criminal act - money laundering among other measures, financial resources amount to 10.901.514,00 MKD have been confiscated and transferred into the Budget of the RM .
- In the case of the former director of the Customs Administration (sentenced for seven years imprisonment for the criminal act - misuse of official duty) and the head of sector for financial affairs for the criminal act - misuse of official duty and counterfeiting of official document (sentenced for 4 years and 10 months imprisonment) the real estate and premises - 396m² and 540m² construction land amount to 43.628.100,00 MKD (709.400, 00 EUR) have been confiscated.
- To the owner of the private company 73.117 securities has been seized with nominal amount of 200.000.000, 00 MKD from the various companies and two banks.

Human rights and protection of minorities

The Law amending the Law on Juvenile Justice entered the inter-governmental procedure.

The IPA 2008 Project on juvenile justice started. Steering Committee was established, containing representatives from the relevant ministries and institutions. The first meeting of the Committee is scheduled for July. Already, The Institute for social work was chosen as a competent authority for preparation and implementation of the mentoring program for children in risk and children in conflict with the law.

During June the working group established for preparation of Standard operative procedures for treatment of detainees, finalized the forms for risk estimation.

Training for criminal judges on conditional discharge was held.

On 14th and 15th of June, Regional conference on providing access of Roma to personal identification documents - regional challenge was held. Number of experts, representatives from Albania, Bosnia and Herzegovina, Croatia, Montenegro, Serbia, Slovenia, Kosovo and Macedonia presented their experience on this issue.

The national coordinative body for implementation of the Roma Strategy and Roma decade held a meeting. On the meeting the members presented their realized activities and also future plans for further implementation of the activities from the Strategy and the Decade.

Also meeting was held by the Advisory Body in charge of further improvement of the implementation of the Roma Decade and Strategy.

Workshop on Basic human rights and gender approach and also training on Monitoring and evaluation of the implementation of the National Strategy for fight against domestic violence for the members of the coordinative body were held during June.

The procedure for creation of web-site of the National coordinative body for fight against domestic violence started. Already IT Company was selected and started working on the website.

Training on straightening the capacities of the employees from 25 Centres for social work and 5 regional offices of the Agency for employment, for providing psycho-social support of the victims of domestic violence – users of the Program for economic straightening of women-victims of domestic violence.

The application procedure for the Program for self-employment, "From idea to business" was completed. From total of 28 women, victims of domestic violence that applied and took the training, 22 successfully finished the training and with support of local consultants started the preparation of their business plans.

Also the application procedure for subvention is completed. From total of 71 victims of domestic violence that applied, 57 were interview of which 31 were offered an employment. Already 12 victims accepted the agreements.

During June training was held by the Sector for equal opportunities on Social inclusion of Roma, with accent put on Roma women. The training was financed by the Norwegian Government and it was in accordance with the activities from the Action plan for promotion of the status of Roma women and the recommendations concluded from the field research for the equal rights and treatment based on gender and ethnic origin when accessing state services. The training included public/state servants and representatives from the Centres for social work.

The first Conference for establishing functional Commission for protection from discrimination was held. The Conference was dedicated on the structure and composition of the Commission. The purpose was providing opportunity for exchange of ideas and practices between the representatives from national and international, governmental and non-governmental structures.

The Ministry of Labour and Social Policy in cooperation with the local self-governments started with 2 day educative trainings for promotion of the Law on protection and prevention against discrimination. The aim of the trainings is straightening the capacities of the representatives of the local self-governments and the NGOs to develop their understanding of discrimination and successful identifying of the phenomena and also presenting to the citizens of their local self-government how to seek for help in cases of discrimination. Representatives from the local self-governments, the centres for social work, Agency for employment, police, institutions in the area of health and education, NGO's and media took part in the training. During June trainings were held in Belcev and Strumica and the trend will continue in the forthcoming period.

First public debate for the amendment of the Law on Work relations – mobbing was held in Stip, organized by the Sector for equal opportunities, MLSP.

Working group for preparation of National action plan for social inclusion of Roma, as a priority goal from the Strategy was established.

During June, 2010 the municipalities Kumanovo, Gostivar and Struga were visited by high officials from SIOFA. The visit was conducted in the regional offices of the ministries (Ministry of Interior, Ministry of Labour and Social Policy, Libraries etc.). The aim of the visit was to get familiar with the practical implementations of the Law on the Use of Languages, as a fundamental principle of the Ohrid Framework Agreement.

SIOFAs employees participated in several seminars and workshops.

The first meeting of the Steering Committee for IPA 2007 Project – support to the SIOFA in the implementation of the Strategy for equitable representation was held, and the inception report has been presented and adopted. The next meeting is scheduled for September 2010.

The second-instance government commissions continued to response on the Ombudsman instructions. During June the report for the period January- March 2010 was submitted. From total of 268 complaints, 212 are preceded, for 49 the procedure is ongoing and only 7 of them are not yet preceded.

The 12 session of the National Commission for protection of children rights was held. It was decided 2 more NGOs to be included in the work of the Commission. Also it was decided in the forthcoming period, web-site of the Commission to be created.

Regional cooperation and international obligations

Macedonia continues with its pro-active contribution in promoting *bilateral relations* with the countries from the region.

Political contacts with Greece continued, as marked by the two meetings of the Prime Ministers of the two countries (Brussels, 17.6.2010 and Istanbul, 23.6.2010), where the importance of finding mutually accepted solution to the name issue was discussed.

Within the framework of the bilateral relations with Kosovo, political consultations were held at the level of deputy foreign ministers, focused on further improvement of the bilateral political and economic cooperation and good neighbourly relations, as well as strengthening of contractual cooperation in double taxation, international road traffic, justice and social protection. A Protocol for cooperation between the two ministries was signed during the meeting.

The planned official visit of the Prime Minister of Albania to Republic of Macedonia has been postponed by the Albanian side. A new date for the realization of the visit is being negotiated.

Political contacts with Serbia have been intensified. The President of Serbia visited Macedonia (9.6.2010). Discussions with the Macedonian officials included measures to overcome the consequences of the global economic crisis, development of infrastructure projects, economic and trade cooperation, opening new border crossings and increasing cooperation in education, culture and sport. The Deputy Prime Minister and Minister of Economy and Regional Development of Serbia also visited Macedonia (2.06.2010). The visit was focused on economic and trade cooperation, economic development and regional developments. Emphasis was given on the common interest in completing Corridor 10. During the visit of the Minister of Agriculture, Forestry and Water Economy of Serbia to Macedonia (3-5.6.2010), regional cooperation in agriculture was discussed, as well as sharing of Macedonian experiences related to IPARD.

The Minister of Foreign Trade of Bosnia and Herzegovina paid a visit to Republic of Macedonia (16.6.2010), together with business delegation. The focus of the meetings with Macedonian officials was deepening of the economic cooperation. Initiative was given for signing of bilateral agreements for economic cooperation and cooperation in tourism.

The cooperation with Turkey continues. Political consultations were held on the level of state secretaries of the foreign ministries (Ankara, 28.6.2010), where several bilateral issues were discussed, with an accent on the economic cooperation. Also, opinions were exchanged for questions related to NATO, EU, Council of Europe and the situation in the region.

As regards the regional initiatives, Republic of Macedonia continued to proactively participate in the SEE Cooperation Process (SEECF), the Regional Cooperation Council (RCC), the Central European Initiative (CEI) and the SECI Centre in Bucharest.

The last SEECF Summit during the Turkish Chairmanship (Istanbul, 21-23.6.2010) concluded that Macedonia is to take over the SEECF chairmanship in 2012-2013. At the meeting, Macedonian delegation reaffirmed the initiative for establishment of Balkan capital of culture, where Skopje was nominated. This initiative will be considered during the Montenegrin Chairmanship of SEECF.

Macedonian Foreign Minister participated at the annual meeting of RCC in Istanbul on 22 June 2010, where the Strategy and the Working Program of RCC 2011-2013 was adopted.

Macedonian Foreign Minister also participated in the ministerial meeting of CEI (Montenegro, 15.6.2010). During the meeting, the guidelines for further political, structural and financial strengthening of CEI were defined, as well as for the cooperation with EBRD and for establishing official relations with the EU institutions.

Regional Conference for NATO integration of the SEE "Developing common transatlantic vision and perspectives" took place in Bitola, Macedonia (31.5-1.6.2010), co-organized by the Macedonian Defence Ministry and the Regional Centre RACVIAC in Zagreb. This conference confirmed the commitment of the participating countries to dialogue and cooperation, integration and security, stability and future development of the region. Ministers and deputy ministers of defence from the countries of the region (Macedonia, Albania, Croatia, Slovenia, Turkey, Bosnia and Herzegovina, Serbia and Montenegro) took participation in the conference.

The President of Macedonia, together with the Presidents of Albania, Kosovo and Montenegro participated at the Regional Summit of Presidents held in Prizren, Kosovo (25-27.6.2010), where Macedonia stressed the importance of improving the common infrastructure networks, particularly in energy and transport. On the margins of the Summit, separate bilateral meetings were held with the three Presidents.

II ECONOMIC CRITERIA

2.1. The existence of a functioning market economy

Government of the Republic of Macedonia adopted 2010 Draft Supplementary Budget, according to which a total adjustment of expenditures with revenues was made that amounts to 4 billion 700 million Denars, or cut by 3,2% of the expenditures and the revenues. However, the Budget deficit remains within the initially projected 2.5% of GDP. Expenditures were cut in all sectors with an emphasis on the categories of goods and services, including travel expenditures, contracting services and other categories of non-productive costs. Core Budget was cut by 5.8% or by 1 billion Denars. Second major adjustment was in the category of capital investments, where cuts were made in the amount of 5 billion 220 million Denars. Budgetary re-allocations were made for the purpose of protection of vulnerable categories of citizens which have felt the effects of the European crisis, providing extension of funds for healthcare and social assistance.

In addition, Government adopted package of ten or so austerity measures that envisage 10% decrease of salaries of the Prime Minister, Ministers, Deputy Ministers, as well as appointed state officials by 2011. Freezing of salaries in the public sector is extended to September 2012.

In the course of 2010 and 2011, public enterprises will have to allocate 80% of their profit in the Budget. During the same period, public enterprises are not allowed to distribute annual vacation allowance and bonuses to the employees.

Fees for members in administrative and supervisory boards are also reduced by 30% during 2010 and 2011. At the same time, working group will be established to analyse the possibilities to optimize bodies within the respective Ministries, such as Agencies, Administrations, Funds, Bureaus, Centres, etc., so as to determine which one could operate as Departments within the Ministries. Hence, costs of administrative and supervisory boards would be additionally reduced.

In line with the measures, per diem for travelling in the country will be suspended, while per diem for travelling abroad will be reduced by 30% by the end of 2011. Ministers and Deputy Ministers fully relinquish per diem during this and the next year, and the same is recommended to all Directors of budget users.

Eligible charges for use of mobile phones will be reduced by 30% as of 2011 inclusive, and limits on fixed phone charges will be introduced.

Within the period of 15-17 June 2010, The National Bank of the Republic of Macedonia was a host of the Conference of the Group of Banking Supervisors from Central and Eastern Europe (BSCEE). In Ohrid, the heads of the banking supervisory bodies from 18 countries from Central and Eastern Europe discussed issues connected with the global economic crisis and the measures undertaken for strengthening the banking system resilience, exchanging national experiences during and after the crisis, with the purpose of overcoming the identified weaknesses in the national regulations of the participants.

The National Bank of the Republic of Macedonia adopted a decision on decreasing the interest rate on CB bills auctions by one percentage point, from 6% to 5%, on annual basis.

With an aim to further improve the investment conditions and to attract FDI, in June 2010, the Technological Industrial Development Zone – Tetovo officially started to operate. The formation of TIDZ – Tetovo is an important step that will provide economic development in the region, increase in employment and better living standard of the population, entry of new technologies and knowledge as well as exchange of experience and business cooperation. The zone creates possibilities for public- private partnership of the state with the private sector as modern way of financing.

III. ABILITY TO ASSUME THE MEMBERSHIP OBLIGATIONS

3.01 FREE MOVEMENT OF GOODS

3.01.2 Horizontal measures

Metrology

Within the framework of TAIEX - Instrument for technical assistance and exchange of information, the Bureau of metrology on June 11th 2010, organised a workshop on "Calibration of reference thermometers which are used for audit and control of thermometers which are applicable in the food industry where HACCP standard is used".

The aim of this workshop was to introduce the principles of HACCP standard, in terms of use calibrated measuring instruments, methods for calibration of reference thermometers used in the checks and controls of thermometers used in the food industry, as well as to get familiar to the role of metrology in the implementation the HACCP standard, in order to achieve correct and sustainable use of it.

Standardisation

In June 2010, the Standardisation Institute of the Republic of Macedonia (ISRM) adopted a total of 1485 European and International standards and standardisation documents, out of which 1265 are European. The number of withdrawn standards for June 2010 is 866, out of which 863 are JUS standards.

Accreditation

On the 9th June 2010, in the Parliamentary Club, the Institute for Accreditation of the Republic of Macedonia organized a commemorative event celebrating the World Accreditation Day. This Day represents a global initiative jointly established by IAF – International Accreditation Forum and ILAC – International Laboratory Accreditation Cooperation to raise awareness of the importance of accreditation-related activities.

The Institute for Accreditation of the Republic of Macedonia (IARM) organised a course „Implementation of the Standard MKC EN ISO/IEC 17020:2006 of bodies performing inspection “. The course took place in the Training Centre of the IARM in the period of 28th to 30th of June 2010 addressing the accredited inspection bodies as well as inspection bodies undergoing an accreditation procedure.

Market surveillance

With the aim of establishing a coordinative system within the Law on market surveillance, a Coordinative body for market surveillance was established in June 2010, following the requirements for providing high degree of protection of public interests, protection of health and safety at work, protection of consumers and protection of the life environment. The Coordinative body is consisted of state bodies for market surveillance (inspection bodies): State market inspectorate, State sanitary and health inspectorate, State labour inspectorate, State inspectorate for technical inspection, State inspectorate for environment, Agency for electronic communications, inspection bodies from the area of transport and communication and other inspection bodies competent for market surveillance, according to the other provisions for free movement of goods.

3.02 FREE MOVEMENT OF WORKERS

The Action Plan of measures and activities for the preparation of the Employment Service Agency of the Republic of Macedonia to participate in the EURES was adopted by the Government.

Successful testing of functioning of systems of Electronic Health Card and both CAS (Central Administration System) and CMS (Card Management System) was conducted. Pilot Health insurance Cards were prepared for the teams of medical doctors and nurses, the IT personal from the Health Insurance Fund, as well as the local unit staff.

3.03 RIGHT OF ESTABLISHMENT AND FREEDOM TO PROVIDE SERVICES

3.03.3 Postal services

The draft Guide for provision of information and financial data has been prepared, as well as the Report on postal service provision.

Analysis of data submitted by postal service providers has been done regarding the number of complaints for postal service provision.

3.04 FREE MOVEMENT OF CAPITAL

3.04.1 Capital movements and payments

A "Manual for enforcement of measures and actions for prevention of money laundering and financing of terrorism in subjects" has been prepared and promoted. As well, the Office for prevention of money laundering and financing of terrorism conducted training for efficient implementation of measures and actions for prevention of money laundering and financing of terrorism for employees in casinos and real estate agencies.

3.05 PUBLIC PROCUREMENT

3.05.1 General principles

Document management system for the work of the Public Procurement Bureau became functional.

In the course of the June the Strategy of the Public Procurement Bureau for development of the public procurement system 2010-2012 was adopted.

According to the Program on education on public procurement of the contracting authorities and economic operators, during June, two trainings took place, whereas 50 participants attended the event.

Public Procurement Bureau in collaboration with SIGMA hosted the IV IPA Regional Conference on Public Procurement (8-9 June 2010).

3.06 COMPANY LAW

Law on European Company was adopted by the Government of the Republic of Macedonia and is in the parliamentary procedure. In the law are incorporated the Regulation 32001R2157 and Directive 32001L0086 for amendment to the Regulation.

The Institute of Chartered Auditors finished the process of translation of the International Standards on Auditing (ISAs), ("Official Gazette of the Republic of Macedonia", No. 79/2010).

3.07 INTELLECTUAL PROPERTY LAW

3.07.1 Copyright and neighbouring rights

New Law on Copyright and Related Rights (LCRR) going to be harmonized with the Directive 32004L0048 on the enforcement of Intellectual property rights was adopted by the Government of the Republic of Macedonia and currently is in the parliamentary procedure.

3.07.2 Industrial property rights

Law on ratification of the Lisbon Agreement for the protection of appellations of Origin and their international registration was adopted and published in the Official Gazette of the Republic of Macedonia No. 77/2010.

The State Office of Industrial Property conducted other activities.

On June 3 and 4, 2010 in Sofia the Regional Conference on Intellectual Property and digitalization of the Intangible Cultural Heritage was held, organized by WIPO and the Ministry of Culture of Republic of Bulgaria, attended by representative of the SOIP. Two representatives from the SOIP, on June 7, 2010 in Munich, attended the 71 session of the Committee for technical and operational support at the European Patent Office. At 24 and June 25, 2010 two representatives from the State Office of Industrial Property attended a meeting on the topic: "IV-th meeting of the Member States relating to cooperation" organized by the European Patent Organisation, which was held in Malta.

3.07.3 Enforcement

In June 2010, the Academy for training of judges and public prosecutors conducted two trainings in the field of intellectual property. In the framework of the Program for technical assistance from Luxemburg for the Republic of Macedonia, international two-day seminar on intellectual property rights was organized. As well a two-day seminar on topic "Protection of Intellectual Property Rights" for the Administrative Court was organized. In total, these two training sessions were implemented with participation of 50 participants out of which 36 judges, 5 public prosecutors and 9 from the judicial service.

From 1 June until 30 of June 2010 the Customs Administration acted in 16 new cases of goods infringing intellectual property rights reported in customs procedure where, 15208 pieces of goods were temporarily retained out of which 3144 retained pieces were exempted. The Customs Administration acted ex officio in 8 cases. Eight requests for undertaking customs actions pursuant to the Law on Customs Measures for the Protection of Intellectual Property Rights were submitted.

The State Market Inspectorate in the course of its independent actions seized in total 80 pirated DVDs from unknown perpetrators. In the activities 8 requests for misdemeanour procedure were instigated.

The Coordinative body for intellectual property had a coordinated action against 7 legal entities in town of Kumanovo. The State Market Inspectorate submitted two requests for misdemeanour procedure, while the Ministry of Interior submitted two criminal applications.

3.08 COMPETITION POLICY

3.08.1 Anti-trust including mergers

In the antitrust area, in June 2010, representative of the Commission for protection of competition (CPC) took part in the Third Social Forum European Energy Community.

In the period of 29 June - 1 July 2010, two professional servants of CPC took part in a "Workshop on Introductory Concepts To Competition Policy", held in Yerevan, Armenia. The workshop consisted of a series of presentations on key issues of competition law such as market definition, the connection with market power and dominance and the evidence needed to support allegations of single firm abuse.

3.10. INFORMATION SOCIETY AND MEDIA

3.10.1 Electronic communications and Information technologies

In the reporting period the Law Amending the Law on Electronic Communications was adopted (published in Official Gazette no. 83 of 06/23/2010).

After establishing a Working Group on the introduction of Internet Exchange in the Republic of Macedonia, the Ministry of Transport and Communication produced Information (non paper), and the Agency for Electronic Communications structured a questionnaire submitted to the Internet service providers in Macedonia in order to define the manner of establishing public Internet exchange point in Macedonia. The Ministry of Transport and Communications conducted analysis on: 1.Introduction of DVB-H and 2.introduction of DVB-T2 in RM.

On the 09.06.2010 a public hearing was held regarding the draft text on the analysis of market 11 (access to unbundled local loop and sub-loop) and market 12 (services with a wide range). The comments from the public hearing were implemented in the final version of the Analysis of relevant markets which incorporated the opinions of the interested parties, published on 06.15.2010. Also, on the 29.06.2010 a public hearing was held regarding the draft text on the analysis of market 15 - access services and starting a call in public mobile communication networks. The Agency adopted a Decision determining the relevant markets subject to ex-ante regulation and the interested parties were invited to share their views. On the 25th of June the Agency for Electronic Communications opened a public hearing for the developed Bottom-UP model – termination of calls in mobile networks.

Also, during the course of June, the analysis of markets 8,9,10 (Business Services, complete and transit call public fixed telephone network) was completed. The draft analysis was submitted to the Commission for Protection of Competition.

The Agency drafted a Rulebook on providing services included in the universal service and it was submitted for public hearing. After having the public hearing and upon the adoption of this Rulebook, the Agency will publish a tender for selection of universal service provider/s.

In the reporting period for the purposes of strengthening the capacities of AEC, training for the staff was provided through workshops held by the ICC-Interconnect Communication. Also, a workshop was organized for the AEC staff on the analysis of the new package of European Union directives regulating electronic communications.

The implementation of the system for spectrum management (SMS - Spectrum Management System) continued.

3.10.3 Audiovisual Policy

The Broadcasting Council issued seven (7) written warning due to violations of article 20, paragraph 3 and 4 from the Law on Broadcasting Activity by commercial broadcasters.

BC conducted a comparison analysis of the programs of the public broadcasting service MRT between the monitoring of its programs in January and June in order to assess in what extent the PBS fulfils its obligations as a public broadcasting service. BC initiated 26 misdemeanour and 5 criminal procedures against operators of public communication networks, which have breached either the Broadcasting Law or the Criminal Code in the part of protection of instinctual property and related rights.

During the reporting period the BC allowed change of the ownership structure of two broadcasters. Also, the BC reminded all broadcasters to make public the data about their work on their programs latest by 30th June. BC is following the adherence of the broadcasters to this obligation.

3.11 AGRICULTURE AND RURAL DEVELOPMENT

Concerning the Farm Accounting Data Network (FADN), in respect of establishing an IT system solution, software upgrade is performed, the system is filled with data from selected representative farms and the ToR for procurement of hardware support system through the completion of the World Bank is pending.

The farm registry is regularly updated through the software in the level of regional units (MFAWE). Regarding the integration of data and registers within MFAWE, a company responsible for the creation of the web services for connection of the existing data bases and registries with the farm register is selected through a public procurement procedure and the procedure for their connection is ongoing.

In respect to IPARD, 27 Contracts have been signed in amount of approximately two million euros
The national logo for organic products has been selected.

3.12 FOOD SAFETY, VETERINARY AND PHYTOSANITARY POLICY

3.12.1 General

The second working version of National Strategy for Implementation of HACCP in the Republic of Macedonia together with Action Plan for the period of 2009-2014 has been prepared.

3.12.3 Placing on the market of food and feed

The Rulebook on the specific conditions regarding the facilities, technical equipment, as well as on the procedures and conditions to be complied with by processing facilities for animal by-products (Official Gazette of RM no. 73/2010) has been adopted.

3.12.4 Food safety rules

The Rulebook on the special requirements for safety of spirit drinks, transposing the EU measures 31990R1014 and 32008R0110, has been adopted (Official Gazette of RM no. 82/2010).

3.12.6 Phytosanitary policy

Draft Law Amending the Law on Seeds and Planting Material from Agricultural Plants has been prepared. The amendments are related with the transposition of the following EU measures: 31996L0401, 31966L0402, 31968L0193, 31992L0034, 31998L0056, 32000L0029, 31998L0095, 31998L0096, 32001L0064, 32001D0898, 32001D0897, 32002L0057, 32002L0056, 32002L005, 32002L0054, 32002L0053 и 31992L0033.

The administrative capacities of Phytosanitary Directorate have been strengthened with 5 new employments.

A training organised by CPVO for protection of new plant varieties has been carried out. The goal of this training was introduction to the system for plant varieties protection in several EU member states.

3.13 FISHERIES

3.13.1 Management, inspection and resource and fleet control

In the media and the web site MAFWE published competition for construction of fishing grounds for 15 artificial lakes - reservoirs.

3.14 TRANSPORT POLICY

3.14.1 Road transport

In June 2010 The Law amending the Law on Road Transport was adopted (83/2010). The amendments refer to conditions for transport licensing and financial performance of transport operators to conduct public transportation of passengers and goods in road transport in accordance with Regulative 32009R1071, as well as to determine the experience date of certificate for participation in international road transport, in accordance with Directive 32003L0059. Other issues that were found out in the course of legal provisions practical application have also been addressed.

3.14.3 Inland waterways transport

In the area of inland waterway transport, Rulebook of the types of titles for a member of ship crew, special conditions for acquiring certain types of titles, things that a members of ship crew of a particular type of title can carry out, the manner, procedure and program for passing the exam for getting a certificate for acquired particular type of title, form and content of the confirmation for exam passed and the certificate for acquired title as member of the ship crew was adopted (73/2010). The Rulebook contains provisions that transpose directive 31996L0050.

3.14.5 Air transport

In the field of air transport pursuant to the adoption of the Law Amending the Law on Aviation further following secondary legislation was drafted:

-Decree on the procedure and manner of reporting and investigating accidents or serious incidents of aircrafts or parachutes, and incidents and the special occurrences was drafted and inter institutional coordination has been completed. The Decree aims at regulating the reporting and investigating procedures related to air accidents in accordance with 31996L0056 and 32003L0042.

-Decree on the manner, organisation and conditions for slots awarding, was drafted and submitted in inter institutional coordination. The Decree further aligns national legislation with European standards as proscribed in Council Regulation 31993R0095.

-Bylaw on the professional capability, checks, licenses and their recognition for flight control staff was drafted and submitted for publishing in Official Gazette.

-In regard of the implementation of "TAV" Concession Agreement for management of the airports in Republic of Macedonia, the procedure for awarding a contract for public procurement of consultancy services for carrying out continuous and regular monitoring over the performance of the concessionaire activity and implementation of the Concession Agreement for development, financing, usage and maintenance of the airports "Alexander the Great" - Skopje and "St. Paul the Apostol" - Ohrid and construction of new cargo -airport in Stip was finalised. "NACO BV", company established in Netherlands was selected as best bidder.

3.15 ENERGY

3.15.1 Security of supply

Regarding the social aspect of the Energy Community Treaty, the 3rd Social Forum was held in Skopje during 10-11 June 2010, where all the Contracting parties represented the progress in implementation of the Social Action Plans. The Secretariat of the Energy Community, welcomed the Programme for reduction of the energy poverty of the Republic of Macedonia as a step forward in the implementation process.

The deadline for public tender for granting the water concession for production of electricity from 32 Small Hydro-power plants was 30 of June 2010. 9 bids were delivered after the time specified.

Under the Project Vardar Valley, during June expert mission from the Republic of China has started in order to prepare the next steps for implementation of the project.

In accordance to the Public Procurement Plan for 2010 of the Directorate for compulsory reserves for oil and oil derivatives, the following activities were realized:

- On 07 June 2010 published announcement on the web side of the Public Procurement Bureau for supply of insurance services. On 29 June 2010 held Public opening for the above mentioned procedure.
- Announced Public Tender for granting Public Procurement Contract for selecting accredited inspection body and accredited laboratory for qualitative and quantitative analysis of the reserves of the oil derivatives into the compulsory reserves, public opening of the bids scheduled for 01 July 2010, on the web side of the Public Procurement Bureau;
- In order to increase the compulsory reserves for oil and oil derivatives, Public Tender for purchase of oil and oil derivatives (petrol Eurosuper BS 95; Extra light oil for householders EL-1, Liquid petrol gas LPG) was announced on 14 May 2010. Public opening of the bids is scheduled for 06 July 2010.

3.15.2 Internal energy market

The preparation activities for the Draft Energy Law are ongoing. During the period from 10 – 11 June 2010, in the Ministry of Economy several working meetings on the Draft Energy Law were held. According to the Governmental conclusions, for a third time, on 11 of June the Draft Energy Law was send for an opinion to all energy companies (JSC MEPSO; JSC ELEM; EVN Macedonia, Toplifkacija etc.) and relevant institutions in the Republic of Macedonia. Arrived opinions from the energy stakeholders were taken into consideration in the preparation of the new Draft of the Energy law, during June.

During June 2010 in the field of internal market, the Energy Regulatory Commission adopted the following decisions:

- 2 Decisions for highest selling prices for different oil derivatives on every fourteen-days period;
- 3 Decisions for issuing license for performing energy activity generation of electricity from renewable energy sources;
- 1 Decision for issuing license for performing energy activity electricity trading;
- 2 Decisions for issuing license for performing energy activity transit of electricity.

3.15.5 Energy efficiency

On 9 of June 2010, an expert discussion on the updated Draft Strategy for Energy Efficiency of the Republic of Macedonia until 2020 was held, on which representatives from domestic and foreign institutions, companies and organizations took part. After the discussion the comments and the written opinions were implemented into the draft Strategy. The Final Draft of the Strategy for Energy Efficiency of the Republic of Macedonia until 2020 is prepared.

Also, the final Draft of the National Energy Efficiency Action Plan of the Republic of Macedonia until 2018 was sent to the Energy Community Secretariat by the Ministry of Economy submitted on June 25, 2010.

Under the Project "Mitigation Climate Change through improving energy efficiency in buildings" during June the following activities have been realized:

- Signed Memorandum of Understanding with AD Toplifikacija – Skopje for exchange of data for consumption of thermal energy in the public sector;
- Prepared Climatological Map of the Republic of Macedonia;
- Engaged company for preparation of the Training Programme for the representatives from the local self-government;
- Engaged company for preparation of the software tool for database, Completed design of the web site;
- Engaged persons for collecting data for climatological regions of the country.

3.15.7 Nuclear safety and radiation protection

During the reporting period, the Radiation Safety Directorate issued 10 licences for practices with ionizing radiation and realized 28 inspections.

During 14-18 June, TAIEX expert mission with objective to provide expert help in review and assessment of the documentation in the process of licensing of national storage facility for radioactive waste by the Radiation Safety Directorate was realized.

In June the Government of the Republic of Macedonia appointed new Director of the Radiation Safety Directorate.

During the reporting period, the representatives from the Radiation Safety Directorate took part on the following trainings/meetings in the field of radiation safety and nuclear security:

- Sub regional meeting for nuclear security information management and coordination for countries of South East Europe, 1 - 4 June 2010, Athena, Greece;
- European symposium on the assessment and evaluation of occupational radiation exposure, 6-9 June 2010 Prague, Czech Republic;
- Process for negotiation for accession in the EU, 23 – 24 June 2010 Skopje.
- IPA Multi Beneficiary Programme Coordination Meeting, 29-30 June, Tirana, Albania

3.16 TAXATION

In the period January - June 2010, the total tax revenue realised by the Public Revenue Office was by 3.7 % higher in relation to the same period in 2009. The revenue from the Value Added Tax is higher by 2.5 % in relation to the plan, and 12.2 % in relation to the same period in 2009. The revenue from the Personal income tax was by 0.06 % higher in relation to the same period in 2009.

A Draft Law amending the Law on Tax procedure was prepared, which refers to introduction of two new institutes – "Tax office" and "Office check", as well as to extension of the competences of the PRO as an offence authority.

In accordance to the Annual plan of the Intra - European Organisation of Tax Administrations, in June, 2010, in Ohrid, the Public Revenue Office organised a workshop on "Tax havens". The workshop was attended by representatives from more than 20 tax administration from the EU, as well as by representatives from OECD.

A National strategy for increasing the electronic submission of tax returns was prepared, comprising of measures and activities which will be taken by the PRO in order to increase/improve the number of users of the service e-taxes.

3.17 ECONOMIC AND MONETARY UNION

3.17.1 Monetary policy

On 15th of June the National Bank of the Republic of Macedonia (NBRM) adopted a decision on decreasing the interest rate on CB bills auctions by one percentage point, from 6% to 5%, annually. The key significance of such a decision is the continuity of the favourable trends on the foreign exchange market, thus making the environment for implementation of the monetary policy still relatively favourable. Namely, in May and in the last period of June, the NBRM realized net purchase of foreign exchange on the foreign exchange market, which contributed to further growth in the gross foreign reserves. As of June 04, 2010, the gross foreign reserves equal Euro 1,694.5 million, with the current level of foreign reserves ensuring 4.3 months coverage of the projected import of goods and services of the following year.

3.17.2 Economic policy

In June 2010, the Assembly of the Republic of Macedonia adopted the Strategy for Public Debt Management for the period 2010-2012. (Published in Official Gazette No.75). This strategy is a document which outlines the measures and actions to be taken in order to strengthen the financial control in the public sector in the Republic of Macedonia through implementation of already defined operating model of EU for public internal financial control which is a consistent combination of the managerial responsibility and the functionally independent internal audit. This model will enable redesigning of the internal control environment and improvement of the control system in the public sector in the Republic of Macedonia in accordance with the international standards and best practices of EU.

3.18 STATISTICS

3.18.1 Statistical infrastructure

In direction of strengthening the capacities for selection of a model (Neuchatel Terminology model for Variables, ISO/IEC 11179 Metadata Registry Standard, etc.) for register of variables, in the State Statistical Office (SSO) a document was prepared on analysis of metadata terminology from relevant statistical offices, as a first step in defining and adopting a metadata terminology (Macedonian and English) on the level of the SSO.

By accepting and using the tools provided by Eurostat for data transmission through eDamis, the SDMX format for data transmission was also adopted, and according to the adopted ESMS (Euro SDMX) structure, SSO permanently works on collecting the relevant reference metadata.

SSO is intensely working on adopting and adjusting the generic statistical business process model (GSBPM) of UNECE and at the beginning of June an expert mission was realised supported by a Czech expert in order to assist the explanation of the phases and sub-processes of the appropriate SSO business process model.

Training in "Metadata-implementation of SQL server" was organised.

In order to define the new design, contents and technical aspects of the SSO web site, the draft of the new web site was defined.

From 2nd to 4th June 2010, Eurostat realised its regular annual mission aiming to:

- follow the progress from the previous assessment mission (2009) and to assess the current situation of statistics in the statistical system in the Republic of Macedonia,
- discuss the data transmission process,
- discuss the current and future multi-beneficiary and national projects donated by the European Commission or other donors.

In the period from 23-24 of June, SSO hosted a regional Workshop on Censuses of Population, where representatives from the statistical offices in the region, as well as Eurostat experts took part. On the workshop it was discussed about the flow of preparatory activities related to census cartography and the process of data processing.

Also, in the period from 24-25 of June, in the SSO was held the second meeting of the Eurostat's Technical Census Group in charge of following the preparatory Census activities in the Balkan countries. The aim of the meeting was to assess the improvement of the preparatory activities for the forthcoming Census of Population 2011 with special attention to ethno-cultural characteristics and Census data dissemination in accordance to the legal regulation of Eurostat.

Within the national programme IPA 2007, the prepared documents for defining transparent procedures for access to anonymous micro data for scientific-research objectives were assessed.

In relation to the Plan for decreasing the burden on the reporting units, the SSO continuously undertakes activities: including the time necessary for filling-in the statistical forms and preparation of statistical forms in the area of short-term statistics by printing the address data and the products codes before sending the forms to the reporting units.

3.18.2 Classifications and registers

The SSO adopted a Methodology on keeping the statistical register of territorial units.

The data on agricultural holdings from the SSO's Register of Agricultural Holdings were linked to the administrative data sources – Veterinary Administration and the linkage percentage was determined (62% of the administrative data are linked to the data base).

3.18.3 Sector statistics

The draft Census forms for conducting the Census of Population and Households 2011 were distributed for opinion to a broader circle of users: ministries, institutions and NGOs.

In accordance to the obligation to transmit quarterly data, the transcodification and transmission of the Labour Force Survey (LFS) data for the first quarter of 2010 finished.

The experimental calculation of weights and indices from the Harmonised Indices of Consumer Prices (HICP) for the past months of 2010 finished and the calculation will continue on a monthly basis.

Pursuant to the obligation to provide relevant statistical data according to the EU Regulation on PRODCOM (Nomenclature of Industrial Products), the SSO began with regular transmission of annual data on the industrial production by PRODCOM.

In order to prepare the trainings in the Multi-Beneficiary Statistical Cooperation Programme IPA 2008, the following activities by sub-components were finished:

- PRODCOM – an expert mission was organised in order to assess the condition of the annual survey,
- Business Register – a questionnaire for the condition in 2009 (legal unit, enterprise and local unit) was filled in,
- External trade – a questionnaire on the condition in statistics was filled in according to the expert's request.

A mission was conducted on freight transport and the methodological instruments, the sample frame, the sample selection and the way of collecting the data from the reporting units were assessed.

In the period from 1-15 of June 2010, were finished the field activities as part of the conducting of the first Farm Structure Survey.

3.19 SOCIAL POLICY AND EMPLOYMENT

3.19.1 Labour Law

The Law amending the Law on Labour Relations was adopted by the Government of the Republic of Macedonia on 8th of June 2010, and entered parliamentary procedure.

3.19.2 Health and safety at work

Inspectors from the State Labour Inspectorate (Ministry of Labour and Social Policy) participated in a workshop on implementation of Directive 92/57/EEC on minimum safety and health requirements at temporary or mobile construction sites. This workshop was organized as a part of the program for bilateral cooperation for 2009-2011 between the Ministry of Labour and Social Policy of the Republic of Macedonia and the Ministry of Labour, Social Relations, Family and Solidarity of France.

Representatives from the European Commission held a Mission in the area of health and safety at work, that took place in Skopje, on the 28th and 29th of June 2010, with an aim to assess the transposition and enforcement of the European Union health and safety at work acquis, as well as the administrative capacity of the responsible structures in the Republic of Macedonia. During the mission, the representatives from the EC held several meetings with the representatives from the State Labour Inspectorate, Ministry of Labour and Social Policy, Institute of Occupational Health and the Institute of Public Health.

3.19.3 Social dialogue

According to the provisions of the Law amending the Law on Labour Relations ("Official Gazette of the Republic of Macedonia" No. 130/09), the Commission for Establishing Representativeness of the trade unions and employer's associations was established in February. During this period, the Commission held 6 meetings, on which 21 requests for establishing representativeness were reviewed. Based on the submitted documentation, the Commission concluded that the "Association of Trade Unions of Macedonia", "Confederation of Free Trade Unions of Macedonia" and "Macedonian employer's association", fulfil the conditions for representativeness and subsequently, decisions for representativeness were delivered to the two trade unions and one employer's association. This will be followed by preparation and signing of Agreement for establishment of the Economic and Social Council. A regional conference on the role of the Economic and Social Council was held at the end of June, attended by the representatives of state institutions and social partners. This conference was organized within the project "The fundamentals of the social dialogue in the Western Balkan and Moldova".

Macedonian delegation comprised of representatives of the Government and the social partners, participated on the "99th International Labour Conference", in Geneva.

A Memorandum of cooperation for implementation of the National Program for Decent Work was signed between the Ministry of Labour and Social Policy, trade unions and employers associations registered on a higher level and the International Labour Organization (ILO).

3.19.4 Employment policy and Economic Social Found

For the purposes of enhancing the knowledge and skills for preparation of individual employment plans and the use of new software application for the services of the Agency, 28 employees from the Employment Service Agency of the Republic of Macedonia were delivered trainings.

The Identification Form for the measure 3.1 “Supporting the employment of young, women and long-term unemployed”, of the project was approved. In this respect, the activities for preparation and implementation of the procedure for allocation of grant contracts of the Employment Agency began.

3.19.5 Social inclusion

On 14th and 15th of June, Regional Conference on “Providing access of Roma to personal identification documents - regional challenge” was held. Number of experts, representatives from Albania, Bosnia and Herzegovina, Croatia, Montenegro, Serbia, Slovenia, Kosovo and Macedonia presented their experience on this issue.

As a part of process of creating the Network for combating poverty, two trainings were organized in respect of strengthening the capacities of association of citizen which will be part of this network.

The first semester of the training course for interpreters of sign language, training for parents of children with impaired hearing and for children with parents with impaired hearing was completed.

In terms of pluralisation of social protection, the selection for associations of citizens was finalized. They will implement projects in the field of social protection in five priority areas: social protection of persons who abuse drugs, protection of victims of domestic violence, protection of children victims of sexual abuse and paedophilia, street children and protection of persons over 18 years with disabilities in the intellectual development.

3.19.6 Social protection

Within the 3rd Energy Community Social Forum the progress of the Republic of Macedonia was presented, in terms of Social Action plans on social issues in energy sector. The Forum was organized by the Secretariat of the Energy Community and supported by the European Commission, according to the obligations of the signed Memorandum of Understanding on Social Issues in the context of the Energy Community. The Forum welcomed the initiative of the Republic of Macedonia to develop a programme for reduction of the energy poverty and encouraged the other Contracting Parties to use the lessons learned from its implementation when engaging a similar activity.

The Basic Training Programme for professionals was prepared, as introduction to the procedure for licensing of the current professional staff in the institutions for social protection.

A round table on “Child in terms of separation from parents and divorce” was held, with the representatives from the Centres for Social Work, judges from the primary court and courts of appeal from five cities in Macedonia, a representative of the Ombudsman, and representative of the MLSP.

3.19.7 Antidiscrimination and equal opportunities

The first Conference, devoted to issues associated with the model and functioning, composition and structure of the Commission for Protection against Discrimination was held. The Conference was organized by the Ministry of Labour and Social Policy and Monitoring Mission of OSCE. On this occasion the experiences on establishment of equality and working bodies for protection against discrimination in France and Ireland were presented. Moreover, this occasion was an opportunity for sharing and exchange of ideas between the different stakeholders, national and international, governmental bodies, NGO sector, on the process of establishing the Commission and possible future challenges.

The Ministry of Labour and Social Policy in cooperation with the local self-governments started with two day educative trainings for promotion of the Law on Protection and Prevention against Discrimination. The aim of the trainings was straightening the capacities of the representatives of the local self-governments and the NGOs to develop their understanding of discrimination and successful identifying of the phenomena and also presenting to the citizens of their local self-government how to seek for help in cases of discrimination. Representatives from the local self-governments, the Centres for Social Work, Employment Service Agency, police, institutions in the area of health and education, NGO's and media took part in the training. During June trainings were held in Delchevo and Strumica and the trend will continue in the forthcoming period.

Training for social inclusion of Roma, with a focus on Roma women was held, that was organized by the MLSP in cooperation with the mission of the International Organization for Migration. The aim of the training was to raise the awareness of officials in state and public administration for overcoming the unequal treatment of Roma women in access to services of state institutions. The

training was organized in accordance with the planned activities in the Action Plan to enhance the status of Roma women in the field of human rights, as well as with the recommendations received from the research in the field of equal rights and equal treatment in access to services of state institutions. This training was attended by officials from the institutions, such as Centres for Social Work, employment centres, the Ombudsman, the Ministry of Interior Affairs, the Workers' University and others that often have contact with Roma.

3.20 ENTERPRISE AND INDUSTRIAL POLICY

3.20.1 Enterprise and industrial policy principles

This is the last year for implementation of the Programme for supporting investments 2007- 2010 and the Information of its implementation was adopted by the Government at the beginning of June. Activities regarding the new Programme for supporting investments 2011-2014 have started. It will be prepared in cooperation with the business community, investors and government institutions.

The OECD mission, in cooperation with the Ministry of economy, implemented several events such as: Promotion of IRI 2010, Conference on automotive industry, workshop on human capital and access to finances.

In the second half of June 2010, Agency for foreign investments of Republic of Macedonia gathered all economic promoters for consultation regarding the first semi-annual period of 2010. In addition to the advisory activities, training was held on "Export promotion", by CBI-Centre for the Promotion of Imports from developing countries, supported by Nederland Embassy in Macedonia.

3.21 TRANS-EUROPEAN NETWORKS

3.21.1 Transport networks

Under the IPA Component 3 – Regional development, according to the Procurement plan, the following activities have been realized:

- On 8 of June 2010, the procurement notice for the Public Tender for the Project "Preparation of the Study for development of the strategic multimodal transport nodes" has been published.
- Procurement forecast for the Public Tender for the Project "Preparation of Project Studies (FSs, CBAs, EIA) and Design Documentation (PD, DD) for the Railway Sections along the Corridor X and branch Xd" has been published on 10 of June 2010, on the website of the EU.
- Manual on internal procedures for IPA Coordinator (Transport) for Component for regional development is signed.
- The Detailed Design for section of Pan-European Corridor X Demir Kapija – Smokvica was completed and sent for consideration to EIB and EK, during June 2010.

3.21.2 Energy networks

Concerning the Feasibility Study for Gas Pipeline System in the Republic of Macedonia, with Preliminary Project, the Final Report (No.3) was approved by the Inter-Ministerial Committee of the Government on 7 of June 2010.

On 3 of June, Public Tender for granting Procurement of services for Development of technical documentation on a level of Main and Executive Design for the national line of the gas pipe-line system in the Republic of Macedonia for section 5: Skopje-Tetovo-Gostivar with the opportunity to connect with Kicevo was announced.

Also, on 11 of June 2010, Public Tender for granting Public Procurement Contract : Service for preparation of an audit of technical documentation on a level of a Main and Performance Design for the national line of the gasification system in the Republic of Macedonia for the sections 1,2,3,4 and 5 was announced.

3.22 REGIONAL POLICY AND COORDINATION OF STRUCTURAL INSTRUMENTS

3.22.1 Legislative framework

The Decree for determining mutual relations between the bodies and the structures of decentralized management of the first four components under the EU Instrument for Pre – Accession Assistance (IPA) ("Official Gazette of the Republic of Macedonia, No. 132/2008") was amended and modified (82/2010). The amendments refer to DG for Regional Policy and DG for employment, social affairs and equal opportunities recommendations in regard of designation of Head of Operative Structure for IPA component III and IV as well as the designation of IPA coordinators in line ministries.

3.22.4 Programming

In regard to the revision of the Operational Programme for Human Resources Development a Summary Outline for modification of the OPHRD (2007-2013) was prepared by the Operating Structure for Human Resources Development, elaborating the requested

modification of the Programme. The proposal is submitted to the Strategic coordinator and it is expected to be submitted to the European Commission in July 2010.

3.22.5 Monitoring and evaluation

In regard of Management Information System implementation, in June 2010 “kick of meeting” was held with the Contract Supplier. Action plan for implementation of the MIS system implementation was proposed by the contractor.

Second official Monitoring Committee of Operational Programme for Regional Development was held on 25 of June 2010. The meeting has been focused on operations implementation status and especially the progress made in regard of the implementation of two major projects: “Construction of new Motorway section of Pan-European Corridor X Demir Kapija – Smokvica” and “Construction of Waste Water Treatment Plant in Prilep Project”. Additionally, in June Annual Reports on Operational Programme for Regional Development and Operational Programme for Human Resources Development implementation were prepared and submitted to the European Commission, National IPA Coordinator, Strategic Coordinator and National Authorizing Officer.

3.23 COOPERATION IN THE FIELD OF JUDICIARY AND FUNDAMENTAL RIGHTS

3.23.1 Judiciary

The Assembly of the Republic of Macedonia adopted the Law on the Academy for Judges and Public Prosecutors (Official Gazette of the Republic of Macedonia No. 88/2010). The Law establishes a merit system for selection and appointment of judges and public prosecutors. After the candidates complete the training provided by the Academy, a rank list is composed based on the performance of the judges and the public prosecutors during their examination. The Judicial Council and the Council of Public Prosecutors is obliged to employ the candidates following the rank list.

During the month of June the Judicial Council selected 7 judges from the graduates of the second generation from the Academy. Moreover, during June the Council of Public Prosecutors completed the procedure for 3 graduates from the Academy. In accordance with the plan for selection of public prosecutors, the Council during the course of 2010 will employ additional 12 candidates from the second generation graduates. The Council in June published an open call for 7 public prosecutors for the graduates of second generation and selected 4 additional public prosecutors (1 from the first generation and 3 from the third generation) which have completed the initial training in the Academy.

The Ministry of Justice prepared amendments to the Law on the Judicial Council in order to re-define and re-tune the provisions on the disciplinary measures against judges, as well as the evaluation of judge’s performance. Regarding the evaluation of the judges’ performance, the Draft Law introduces additional qualitative indicators such as judge’s participation in working groups on drafting laws/acts, contribution to the work of the Academy for judges and public prosecutors, contribution to the general legal practice in the country, etc. These amendments are in line with the current best practices in the field of judiciary found in the EU’s Member States.

Regarding the financial autonomy of the Judiciary, the Ministry of Judges proposed amendments to the Law on Judiciary Budgetary Council (on the basis of the Analysis prepared by the Council). The Draft Law increases the financing of the Judiciary up to 0,8% of the GDP as a fixed percentage. The increase will be gradually performed by adding 0,185% to the current 0, 43% of the GDP every year. The provision will be implemented from 1 January 2012 due to the current economic hardship. The Draft Law introduces a new provision (Article 4) which extracts the Judiciary Budgets from any changes/decrease of funding during the budget supplementary to the National Budget, therefore ensuring continuity and stability of the financing of the Judiciary System. The doubling of the finances for the judiciary will ensure smooth functioning of all judicial institutions, will enable more investments into capital projects for modernising the Macedonian justice system.

The Law amending the Law on Administrative disputes proposes the creation of a High Administrative Court based in Skopje charged to decide upon appeals to the decision of the Administrative Court, therefore ensuring the constitutional principle of a right to appeal in administrative cases in a second instance. Supreme Court will be released to decide upon appeals to the decision of the Administrative Court and will only decide on issues arising as a conflict between the new High Administrative Court and other courts.

On the 6th of June, a regional Conference was held among the Constitutional Courts of the region on a subject related to the “Independence of the Constitutional Courts”.

3.23.3 Fundamental rights

The Directorate for personal data protection celebrated 5years anniversary of its foundation.

During June, Comment-book on the Law for Personal Data Protection and also Rulebook on technical and organizational measures for personal data protection were promoted.

The Directorate organised debate “Protection of personal data and their media broadcasting”.

The Law amending the Law on personal data protection entered the inter-governmental procedure.
The employees continue visiting various trainings.

3.24 JUSTICE, FREEDOM AND SECURITY

3.24.1 Migration

In the scope of the second phase of the "Project for Central Database for foreigners, including asylum, migration and visa", training for the employees of the Unit for migration and readmission within the Ministry of Interior was conducted. In total 20 employees participated on the training.

3.24.2 Asylum

The amendments to the "Rulebook on the form of the asylum request" were adopted and published in the "Official Gazette of the Republic of Macedonia No. 78/10".

During this month, following activities were undertaken by the Unit for Asylum within the Ministry of Interior: procedures for 2 submitted asylum requests were conducted, 32 decisions for continuation of subsidiary protection were brought, 8 assurances were issued, 1 decision for termination of the refugee status was brought, 1 decision for termination of the subsidiary protection status was brought, 1 asylum request was rejected.

Regarding the identification documents, 63 ID's for persons under subsidiary protection and 1 ID for refugee, were issued. In the scope of the second phase of the "Project for Central Database for foreigners, including asylum, migration and visa", training for the employees of the Unit for Asylum was conducted.

3.24.4 External borders and Schengen

In total 53 different trainings for members of the three levels of the Border police have been conducted.

"The Rulebook on the form and the contents of the stamp for entry and exit the Republic of Macedonia" has been signed by the Minister of Interior, on 29 June 2010 ("Official Gazette of Republic of Macedonia" No.90/10). The Rulebook derives from the amendments to the Law on State Border Surveillance ("Official Gazette of Republic of Macedonia", No.52/09) and the same is in direction of further harmonization with the Schengen Border Code, especially with Annex 4 which regulates the process of affixing stamps.

3.24.6 Police co-operation and fight against organised crime

The procedure for adoption of the Agreement for operative cooperation with EUROPOL has been completed after it was approved by the Council of Ministers and an authorization was given to the Director of EUROPOL to sign the Agreement.

The Minister of Interior approved the request for starting negotiations with the neighbouring countries signatories of the Vienna Convention and a contact point for coordination of the negotiations was appointed.

The reconstruction process of the Police Station Tetovo was completed on 22.06.2010.

In cooperation with EUROPOL and TAIEX two study visits of employees in Mol and the Directorate for security of classified information to Europol took place. The aim of the visits was development of cooperation in the area of protection of classified information and gaining experience in the area of IT security and databases of EUROPOL.

3.24.7 Fight against terrorism

A Manual on prevention of money laundering and financing terrorism was published by the Directorate for prevention of money laundering and financing terrorism.

3.24.8 Fight against drugs

In the last 5 months the activities of the Ministry of Interior directed towards prevention and discovering of illegal trade with drugs, resulted with discovering of total 233 criminal acts for which 289 perpetrators have been reported. During realization of the cases the following amounts of drugs have been seized: 278kg and 750,24 gr marihuana, 32 kg and 863,86 gr heroin, 1kg and 916,41 cocaine, 0,17 gr hashish, 17 trunks, 119 pieces and 32,79 seeds of "cannabis sativa", 691 tablets methamphetamine, 521 ecstasy, 101 tablets amphetamine, 33 ml methadone, 215 gr mixture of paracetamol and caffeine, 1 gr caffeine.

On 10-11 June 2010 in Ohrid an international conference of experts in the area of fight against drugs took place. The topics covered the following areas: border controls, realization of national strategic programs, strengthening of intelligence concerning trade of drugs, improving the capacities and potentials of the legislative, tactical and technical measures, improvement of international cooperation, development of preventive measures etc.

3.24.10 Counterfeiting of the Euro

Training on topic "Protection of counterfeiting of the Euro" took place from 1-3 June 2010 in Skopje.

The visit by the members of the working group to all the Sectors for Internal Affairs within the MoI, in order to analyse the current situation was completed.

3.25 SCIENCE AND RESEARCH

3.25.1 Research Policy

In regard to development of science research activities were realized:

- 130 scholarships for undergraduate studies for the second cycle were granted for the academic year 2010/ 2011
- Preparatory activities are ongoing for organization of MAKINOVA, the international exhibit of inventions, technical advancements and products and youth creativity, that will be held in October

3.25.2 Framework Programmes

On the 2nd of June, a meeting of the National Contact Points and the National FP 7 Coordinator was organized in Skopje. Future activities for promotion of the calls were discussed.

The Minister of Education and Science of RM took part at the Ministerial Conference on the topic "Integration in ERA – Research and education in South East Europe" in Tirana, Albania.

3.25.3 European Research Area

WBC INCO NET project

The participation in the WBC INCO NET Project with an overall aim of supporting the bilateral and regional dialog for scientific – technical cooperation and identifying priorities for the West Balkan countries and strengthening their participation in European Research Area, continues.

In the previous period the Ministry of Education and Science actively participated in preparation of the Regional Strategy for development in the area of R&D. In course of June a meeting of the working platform and the dialog forum of WBC -INCO -NET - Plus was held.

Also, meeting was held in Vienna in the frames of which, a matrix of the Balance score card was prepared, that will be used as an Action plan for the activities of National Contact points for FP7.

SEE ERA NET +

The project is aimed at further enhancing the coordination of bilateral R&D cooperation with WBC and lifting it to an activity at European level. On the 22nd – 23rd of June, at the meeting held in Belgrade, a decision was adopted on financing 20 best ranking projects. RM participates in 8 of the approved projects and their total cost is 226.000 EUR. The amount of 100.000 EUR has to be paid from the national budget and the rest of the cost is EU contribution.

3.26 EDUCATION AND CULTURE

3.26.1 Education, training and youth

The procedure of selection of school books continued. The open competition for the text books in the area of VET was finalized and agreements with the authors were signed.

The preparation of textbooks for the subjects for which there weren't any textbooks applied or for which textbooks were disqualified, continues.

Within the project Modernization of education, trainings for all 246 schools were delivered, as part of second round of the grant. A total of 7000 teachers were trained in 8 different areas. The preparations for start of the construction activities are finalized. The documentation for the international tender for supply of equipment for 246 schools is final stage of preparation.

The activities of setting up the information system for educational management continued. After the installation of the System for Management of human capacities was installed, trainings were organized and delivered for the employees of the Ministry of Education and Science, Bureau for Development of Education, the State Educational Inspectorate, Centre for Adult Education, the Centre for Vocational Education and Training and the State Examination Centre on using and entry of data.

In course of June the activities continued in the area of reforming vocational education and training:

- Five syllabi for the second year of educational profile agro management technician from the agriculture – veterinarian vocation prepared
- Curricula prepared for the pupils from the health vocation with damaged sight were prepared. On this basis three syllabi were prepared for the first and five for the fourth year
- training program was prepared for the vocation of gastronomer waiter, argon welder, electrician and an electrical fitter for installation in industrial and residential buildings, as part of the measures envisaged in the Operational plan for active labour market measures
- The implementation of the measures from the operational plan for active employment measures continued. The Centre representatives participated in preparation of educational programs for the vocation of plaster fitter, as part of the Operational plan for active labour market measures, the program supporting Roma unemployed persons
- The preparation of the Concept for post-secondary education is in progress

The Centre's employees actively participated in the Project "Vocational education – Step forward to a better economy ", in the frames of which questioners for defining the needs of trainings for farmers and other interested parties in the area of agriculture were prepared. (The project is supported by the Royal Norwegian development society NORGES VEL).

Written an analysis was prepared on the topic "Reflection on the collaborative evaluation of the four year vocational education and training", identifying priority developing areas for the period May – December 2010.

Activities for realization of collaboration with the social partners continued in the reported period. Five meetings were held with the stakeholders and social partners on informing of the protocol. These meetings are needed for explaining the content and moving to the next stage of signing this document.

The project supported by the ECO NET was finalized and a Closing conference was organized. The project contributed to development of the economic legal and commercial vocation.

Institutional capacities

Strategy for Development of the Centre for Vocational Education and Training was prepared and at the moment is being translated in English language.

Representatives from CVET and other educational institutions took part at several seminars and workshops aimed at strengthening the capacities:

- Workshop on the topic "New labour market demands" participating representatives from the Ministry of Education and Science, CVET, Bureau for Development of Education and relevant stakeholders
- A seminar participating representatives from the social partners for on preparation of a manual for practical teaching
- Representatives from CVET took part at a study visit in Estonia, and participated in a working group for self-employment and technical help
- Representatives from CVET participated at a Conference on the topic Education and business sector on the 29 June 2010, organized by ETF

Adult education

The Strategy for adult education in context of lifelong learning is being subjected to a public debate. Out of the three envisaged public debates was already realized.

The Operational plan for implementation of the Strategy for adult education is being prepared by the Council for adult education.

Community programs

Lifelong learning and Youth in action

On the 16th of June, a meeting was held at a highest level between the Minister of Education and Science of RM and the Director of DG EAC, participating also the Director of the National Agency.

Several guidelines were given for proper assurance from Macedonian side, such as providing a maximum level of transparency and communication between services from both sides, improving and continuing the implementation of the action plans with corrective measures, strengthening the role of the National Authority as a supervisor of the work of the NA, etc. On a request from EC, the Ministry nominated a contact person that will represent the National authority in the communication process with the EC.

A separate meeting on technical level was held, on which the Director of the NA, representatives of the Ministry and Mission in Brussels were present. Technical issues such as preparation of rulebooks on internal procedures, procedures on avoiding conflict of interests, issues of staff trainings, the supervising role of the National authority etc., were discussed.

In course of June, a process of revision of the existing and preparation of new rulebooks on the work in the NA, the internal procedures, creation of forms for more efficient control and improving the functioning is underway.

3.26.2 Culture

Programme Culture 2007 – 2013

The promotion of the Culture program continued:

- Info day on both Culture and Europe for citizens programs was held on the 7th of June, in the EU Info centre, in cooperation with CCT Spain and the Ministry of Education and Science
- On the 8th of June, workshop and seminar were held in cooperation with CCT Spain and The British Council, presenting the possibilities of the program

3.27 ENVIRONMENT

3.27.1 Horizontal legislation

For the purposes of strengthening the administrative capacities, the following trainings took place:

- Study visit on SEA in the Netherlands from 24-28.05.2010 within MATRA project “Support to the Strategic environmental assessment procedure in the Republic of Macedonia” on which 8 representatives of MEPP, MTC and city of Skopje took part.
- Annual (6th) GLOBE Conference for Europe and Euro-Asia, 1-06.06.2010 in Ohrid on which around 70 representatives of 23 countries from Europe and Euro-Asia took part. Training of GLOBE professors with specific emphasis to climate change campaign was realized within the frames of this Conference;
- Transport Health Environment PAN-European Programme (THE PEP) Workshop on sustainable and health urban transport policies “ Working together to make things happen “, 07- 08.06.2010 in Skopje, in organization of UNECE, World Health Organization, MEPP, Ministry of Health and Ministry of Transport and Communication.
- Workshop on ecological damage within the UNDP project “Technical Assistance in preparation of bylaws in the area of environmental liability”, 25.06.2010 in Skopje on which the text of the bylaws on ecological damage and the brochure on ecological damage was presented.
- Workshop on Accession negotiations, 21-22/23-24.06.2010 in Skopje, on which the Slovenian experience was presented. 5 members of the NPAA working group 3.27 Environment participated
- Workshop on Regional Initiative for mobilizing financial resources for strengthening the process of implementation of the UN Convention to Combat Desertification in the region of Central and Eastern Europe, 7-10.06.2010 in Czech Republic that focused on: the 5 operational goals of the Strategy, integrated financial strategies role in coordinating NAPs, sustainable land management, new System for transparent allocation of resources and accessibility of resources
- Training on the new reporting system within the 4th cycle of reporting within the UN Convention to Combat Desertification, 28/29.06.2010 Brussels, organised by the Joint Research Centre within the project on “Review on implementation and assessment of the implementation system (PRAIS) of the UN Convention to Combat Desertification, supported by DG Environment.

In the area of climate change, representatives of MEPP participated in the negotiations within the UN Framework Convention on Climate Change and Kyoto Protocol, 7-11.6.2010 in Bonn Germany, in the capacity of reporter in the WG for long-term joint action in the frames of the Convention (AWG LCA), as preparation for the upcoming 16th Conference meeting and 5th Kyoto meeting in December in Mexico.

The capacities of the Hydro-meteorological Administration (HMA) were strengthened with the following workshops and trainings: workshop on meteorological and agro-meteorological stations in the networks 1-15.06.2010 in Israel, training on planned irrigation systems 7-11.06.2010 in Slovenia, Pan-European phonological network PPEP-725 on 16-19.06.2010 in Dublin, Ireland in organisation of EUMETNET and Austrian Meteorological Institute.

The capacities of the Crisis Management Centre were strengthened with several trainings, out of which the most important are the following: Final Planning Conference “ARMENIJA 2010” 21-25.06.2010 in Baku, Azerbaijan, civil-military planning of emergencies in SEE from 07-10.06.2010, Trans-Atlantic civil security on 06-30.06.2010 in Garmisch, Germany.

3.27.3 Waste management

In the area of waste management, a TAIEX workshop on safe management of medical waste took place on 10-11.06.2010 in Skopje and representatives of State Sanitary and Health Inspectorate, MH, MEPP and Institute for Public health participated.

3.27.4 Water quality

In the area of water quality, the Law amending the Law on Waters was adopted by the Parliament (“Official Gazette of the Republic of Macedonia” No. 83/2010) and by that the implementation date of the Law was put forward to 1.01.2011.

Representatives of MEPP and HMA participated on MATRA training on WFD implementation and Floods Directive implementation from 28.05-13.06.2010 in Delft, the Netherlands.

3.27.5 Nature protection

As regards nature protection, the Law on Management with the World Natural and Cultural Heritage in the Ohrid Region was enacted ("Official Gazette of the Republic of Macedonia" No. 75/2010). This law transposes the requirements of the UNSECO Convention concerning the protection of the world cultural and natural heritage.

Regional conference on biodiversity protection in the Balkan countries took place in Mavrovo on 28.06.2010 on which the representatives of Albania, Croatia, Kosovo, Macedonia, Monte Negro and Serbia adopted Declaration on joint regional action for biodiversity protection in the Balkan Region in line with the principles of sustainable development and climate change conditions. The Report on analysis and valorisation of the biodiversity on national level and the Study for revalorization of the natural values of the canyon Matka, both prepared within the UNDP/GEF "Strengthening environmental, institutional and financial sustainability of the system of protected areas in Macedonia were promoted.

3.27.6 Industrial pollution control and risk management

In the area of industrial pollution control and risk management, the waste waters treatment system in the Bucim mine, cultivation of 20 ha of the hydro-tailings pond and re-cultivation of the old tailings pond of Lojane mine, near the school were finalised. The sanitation of these 2 hotspots was done within the Project "Sustainable remediation and management of the pollution in Bucim and Lojane mines". The conceptual design and solutions for remediation of OHIS in Skopje was prepared with financial support of the Italian Ministry of Environment, Land and Sea.

3.27.7 Chemicals

In the area of chemicals, the Law on Ratification of the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade ("Official Gazette of the Republic of Macedonia" 83/2010) was enacted.

The Action plans on Safe Chemicals Management were finalised and published on the website of the SAICM project. Workshop for their presentation as well as presentation of the Draft National Plan for Safe Chemicals Management that gathered representatives of the national and local administration, business entities and NGOs, took place on 23-24.06.2010 in Skopje.

3.27.9 Noise

A TAIEX workshop on Noise took place on 3-4.06.2010 in Skopje on which representatives of the competent national institutions and organizations took part. On the workshop the legal requirement of the Directive 2002/49/EC as well as the practical experiences from EU Member States on implementation of this Directive in respect of noise Maps and Actions Plans were presented.

3.27.10 Forestry

Regarding forestry, the inspections performed by the State Forestry and Hunting Inspectorate continued and the data are the following: 326 inspections, 349 prepared minutes, 88 Decisions, 6 submitted misdemeanour charges and 3 submitted criminal charges, out of which 3 verdicts were passed.

3.28 CONSUMER AND HEALTH PROTECTION

3.28.1 Consumer protection

According to the Program for Consumer Protection for 2010, the Food Directorate held a public tribune in Prilep, Kicevo and Makednoski Brod on the subject "Organisational system for consumer protection in the Republic of Macedonia and animation of the scope of the responsibilities of the unit for consumer protection within the Food Directorate.

The Government of the Republic of Macedonia adopted the Information on the activities of the responsible state institutions for handling the products of foreign origin with inadequate declaration on the market of the Republic of Macedonia.

Under the organisation of the Secretariat for European Affairs, training was carried out on the subject " The process of negotiations towards EU accession".

- A working meeting of the Council for consumer protection was held.

3.29 CUSTOMS UNION

3.29.1 Customs legislation

The Rulebook on Implementation of the Law on Excises was amended (Official Gazette of the Republic of Macedonia no.85 of 29.06.2010). The amendments stipulate: simplified procedure in administering excise documents during the transport of commodities subject to excise under procedure for non-existence of conditions for excise debt occurrence; payment of the costs of

printing, transport, keeping and issuing of the control stamps at the moment of submitting return stating the planned quantities of the control stamps (P-MEA and P-TD), instead of paying them at the moment of control stamps acquisition; issuing control stamps upon request of excise license holder or under importer's request once a week instead twice a month; introduction of new forms of control stamps for intermediate products and ethyl alcohol and forms of control stamps for tobacco commodities.

Development of the Single Window functions -Representative of the Customs Administration of the Republic of Macedonia participates actively in the activities of the Project Group created by the Directorate General for Taxation and Customs Union (DG TAXUD), which is preparing a functional specification establishing standards for implementation of the Single Window concept in the Member States of the European Union. During the two meetings convoked in June 2010, the Project Group prepared business process models of two licenses (Common Veterinarian Entry Document and Agricultural licence) and mapped the data in these licenses in conformity with the format and structure of the UN Trade Data Elements Directory (UNTDDED) and WCO data Model, Version 3. Additionally, the Project Group chose the Customs Administration of the Republic of Macedonia to be host of the next-to-last meeting planned for October, during which the Single Window concept in the Republic of Macedonia will be practically demonstrated, especially in the field of integration with the new Customs Declaration Processing System and the TRACES like System of the Veterinary Directorate.

The WCO, the Customs Administration of Mauritius and the Customs Administration of the Republic of Macedonia signed a Memorandum on Cooperation, according to which, Macedonian Customs will provide expert assistance in the introduction of a national Single Window in Mauritius. This is another confirmation of the high accomplishments of the Government of the Republic of Macedonia in the area of customs operations and trade facilitation. The Memorandum was signed by the WCO Secretary General, Kunio Mikuriya and the DGs of the Customs Administrations of both countries.

The State Customs Committee of Azerbaijan and the Customs Administration of the Republic of Macedonia signed an Agreement on cooperation in the area of professional training of customs officials. The Agreement stipulates establishment of cooperation between the WCO Regional Training Centre (RTC) in Skopje and Baku and enhancement of the bilateral cooperation between the two countries.

In June 2010, the Customs Administration collected a total of 3,543 million denars (about EUR 57,6 million) of budget revenues, being by 27% more than the amount collected during the same period in 2009.

3.31 FOREIGN, SECURITY AND DEFENCE POLICY

3.31.1 ESDP

The 8th rotation of the medical team and 7th rotation of deputy legal adviser in the ALTHEA mission have been completed.

Two representatives from Republic of Macedonia participated in the training program organized by the European college for security and the Ministry of Defence of Slovenia, in the period 31.05-04.06.2010.

Within the Ministry of Defence, the second phase of the Project on Logistic Information System and Global Communication Information System has started. The Project is comprised of seven phases and should be completed by the end of 2011. The aim of the Project is installation and integrated connection of 17 sub-systems in direction of further cohesion, control and better inter-operability of the command-controlling, communication and information functions.

INSTITUTION BUILDING IN THE PROCESS OF EUROPEAN INTEGRATION

Training:

In the period on 24-26.06.2010, in Mavrovo, SEA, in cooperation with The Brussels Office, held a seminar on negotiation and communication skills. The seminar was aimed for and attended by members of SEA and MFA, who in daily work have regular contacts and dialogue with the services in Brussels.

Apart from the usual simulation of negotiations and creation of positions on particular topics, the seminar also included linguistic-cognitive aspect regarding the skill of communication. The seminar was appraised as an excellent opportunity for practical adoption of very useful skills, and was highly recommended for other civil servants directly involved in the technical and political dialogues with the EU.

This seminar also marked the end of the agreement for cooperation with The Brussels Office. In the autumn, the implementation of the new agreement shall commence, as a result of the satisfaction with the cooperation between the parties. This new agreement also includes a number of administrative capacity building trainings, preparatory activities for negotiations and a hearing at the EP.

Scholarships "Gabriela Konevska Trajkovska"

For the eighth time this year, the SEA had launched the regular competition for awarding scholarships for MA studies abroad in the area of law, economy and EU policies. As of this year, the scholarships are dedicated to late Ms Gabriela Konevska Trajkovska, former Vice Prime-minister for European Affairs, in honour and memory of her work.

The aim of this activity is to secure new personnel with high expertise in the discipline of EU who will be directly designated to work in the European integration process in the country. More precisely, this activity is directly linked to the building and strengthening professional skill within the civil service for the needs of the European integration process. The SEA organised an informative day for interested students on 23 June 2010.

Until now, the Government and SEA have implemented two Memoranda for Cooperation with the Dutch Government and one with the German government. New Memorandum for Cooperation with the German government is currently being negotiated. In 8 years 67 scholars have received scholarships and most of them are employed in the civil servants, working on particular policies and EU acquis.

The competition was launched on 08.06.2010 and shall last until 07.07.2010.