Support to State Reorganisation

Project Identification N° EuropeAid/139876/DH/SER/MK
Service Contract N° IPA/2019/410-262

DISCRETIONARY POWERS IN GENERAL LEGISLATION THAT REGULATES EMPLOYMENT

October 2021
Skopje, Republic of North Macedonia

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Project Title: Support to State Reorganisation
Project Reference: Contract N° IPA/2019/410-262
Country: Republic of North Macedonia
Beneficiary: State Commission for Prevention of Corruption

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Images prepared by Mr. Gunter Kube, Senior Non-Key Expert
# TABLE OF CONTENTS

1. **INTRODUCTION** .................................................................................................................. 4  
2. **MAPPING OF THE LAWS** .................................................................................................. 6  
3. **FORMS OF EMPLOYMENT IN THE REPUBLIC OF NORTH MACEDONIA** .................... 10  
4. **VERIFICATION OF THE RESULTS** .................................................................................... 11  
5. **LAW ON GOVERNMENT** .................................................................................................... 12  
   5.1. **DETAILED ANALYSIS OF THE LAW ON GOVERNMENT** ............................................ 14  
   5.2. **PLACES OF RISK IN THE LAW ON GOVERNMENT** ..................................................... 15  
6. **RULES OF PROCEDURE OF THE GOVERNMENT** ............................................................. 16  
   6.1. **DETAILED ANALYSIS OF THE RULES OF PROCEDURE OF THE GOVERNMENT** ........ 19  
   6.2. **PLACES OF RISK IN THE RULES OF PROCEDURE OF THE GOVERNMENT** ............... 20  
7. **LABOR RELATIONS LAW** .................................................................................................... 23  
   7.1. **DETAILED ANALYSIS OF THE LABOR RELATIONS LAW** ........................................ 25  
   7.2. **PLACES OF RISK IN THE LABOUR RELATIONS LAW** ............................................... 26  
8. **LAW ON SALARY AND OTHER COMPENSATIONS OF THE MEMBERS OF THE PARLIAMENT IN THE ASSEMBLY OF THE REPUBLIC OF MACEDONIA AND OTHER APPOINTED PERSONS** .................................................... 29  
9. **LAW ON ADMINISTRATIVE SERVANTS** ............................................................................ 31  
   9.1. **DETAILED ANALYSIS OF THE LAW ON ADMINISTRATIVE SERVANTS** .................... 34  
   9.2. **PLACES OF RISK IN THE LAW ON ADMINISTRATIVE SERVANTS** ............................ 35  
10. **LAW ON THE PUBLIC SECTOR EMPLOYEES** ................................................................. 40  
   10.1. **DETAILED ANALYSIS OF THE LAW ON THE PUBLIC SECTOR EMPLOYEES** ............ 42  
   10.2. **PLACES OF RISK IN THE LAW ON ADMINISTRATIVE SERVANTS** ............................ 43  
11. **LAW ON ORGANIZATION AND OPERATION OF THE STATE ADMINISTRATION BODIES** ........................................... 44  
12. **PROPOSAL FOR A GENERAL EMPLOYMENT PROCEDURE** ......................................... 45  
13. **RECOMMENDATIONS** ....................................................................................................... 46
1. INTRODUCTION

Discretionary powers like coins have two sides. One side is positive with discretion giving more possibilities to be flexible, solve problems in a fast and creative way and find options that are best suitable for the needs of the people. The other side is negative, since discretionary power also facilitates risks of corruption, arbitrariness, and abuse of power. These risks cannot be eliminated totally, but they can be minimized by first setting clear borders to discretionary powers, and second by monitoring compliance with them on a day-to-day basis.

The EU-funded project “Support to State Reorganization” (EuropeAid/139876/DH/SER/MK) in the Republic of North Macedonia. The project has two components: (i) Optimization and rationalization of the state administrative bodies and inspection services; (ii) Improvement of the framework of the discretionary powers. The overall objective of the project is to optimize the overall institutional framework, enhance the public service delivery and strengthen ethics, integrity, transparency and accountability of public administration. Its purpose is to streamline and optimize institutional framework, eliminate overlapping competences and ensure effective lines of accountability.

This analysis is one of the outputs of the second component of the project. It foresees activities for revision of the system of the discretionary powers in employment in general legislation of the Republic of North Macedonia to allow their application in a legal and just manner. For this purpose, it is important to strengthen the routine for taking decisions and enforce the control over discretionary powers. This analysis provides for a review and analysis of the regulations establishing discretionary powers and enables the responsible institutions like State Corruption Prevention Commission, Ministry of Information Society and Administration and line ministries to discuss and find best solutions to the identified problems and drawbacks. The recommendations part also provides for some suggestions of amendments that can be used as further basis for the discussion.

For public administration employment it is usual to look for unified regulation regarding employment in public administration institutions. Most often employment in public administration is divided into civil service consisting of civil servants and having special employment guarantees and safeguards, and other workers who are usually employed under general procedure according to the Labor law.

Analyzing normative acts regulating employment in the Republic of North Macedonia, they seem rather eclectic – although there are general laws regulating public administration (Law on Administrative Servants and Law on Public Servants), these laws do not cover all employment situations in the public administration. In the Law on Administrative Servants the procedure of
recruitment is very detailed and transparent, including public streaming of selection rounds. At the same time no justification or argumentation in favour of choosing one candidate over the other is required, which may make this discretion of the arbitrary and makes it hard or even impossible to later review the decision in the Second instance Committee or the Court.

Also, Law on Public Sector Employees does provide for a procedure of employment, but it is not applied to all public sector employees. Each of the sectors analysed (health, education, culture) has their own specific employment regulations in their specific laws. Although it is obvious that the requirements for employing a doctor in a hospital or a teacher in school may differ, these differences should not be extended to general employment procedures. It is both possible and recommended to apply similar procedures with different criteria to all employment in public administration, which would make it more transparent and understandable.

Yet the most substantial drawback in the general legislation regulating employment is that it practically does not cover senior administrative servants – heads of the institutions, leaving these positions very much to the discretion of a minister, who is logically tempted to make these decisions rather on political than on professional basis. This seriously endangers public confidence in public administration, creating distrust not only in the heads of institutions but also in the whole public administration lead by these heads of institutions.
2. MAPPING OF THE LAWS

The mapping of the laws in general legislation regarding employment was done by the national expert of the Project. According to the suggestions of the national expert, the following pieces of legislation and articles were analyzed. In the framework of the Project different bylaws and reports were also analyzed, still the main accent according to the needs of the beneficiaries is on analyzing the main laws regulating employment either in general or in particular sectors (Education, Culture and Health). The laws and practice was selected according to the meetings held with experts and specialists from the Government of the Republic of North Macedonia, the State Commission for the Prevention of Corruption, Ministry of Information Society and Administration, Ministry of Culture Ministry of Education, Ministry of Health and other institutions.

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of the Law</th>
<th>Relevant Articles</th>
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<tbody>
<tr>
<td>1.</td>
<td>Law on Government</td>
<td>Article 5; Chapter V; Article 39; 11-19;24;27-34;39-42</td>
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<td>2.</td>
<td>Rules of procedures of the Government of the Republic of Macedonia</td>
<td>Articles 18-24;38; 44; 46; 48 paragraph 5; 67a,67b,67; 70,71; 73b-75v; 88-91; 100-102; 125.</td>
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<td>3.</td>
<td>Law on Administrative servants</td>
<td>Articles 4;14-27; Chapter V,VI, VII; Articles 51-53; Chapter XIV; 99,100; 13-20;30-47;48-53;Chapter XII</td>
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<td>4.</td>
<td>Labor Law</td>
<td>13-29; 48-55; Chapter VII; 203-225;248-249;256-263</td>
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<td>5.</td>
<td>Law on public sector employees</td>
<td>Articles: 2,3; 20a-36; 39;42-45</td>
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<td>7.</td>
<td>Law on the Establishment of a State Commission for Decision-Making in the Second Degree in the Field of Inspection Supervision and the misdemeanor procedure</td>
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<td>8.</td>
<td>Law on administrative procedure</td>
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<td>9.</td>
<td>Law on administrative inspection</td>
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<td>10.</td>
<td>Law on inspection supervision</td>
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</tbody>
</table>
11. Law on organization and work of state administration bodies
   Articles: 4-11, 38-54.

12. Law on procurement and exchange of the evidence and data ex officio

13. Law for introduction of quality management system and common framework for assessment of work and service in the public servant

14. Law on data using in public sector
   Articles: 1, 2, 7-12.

15. Internal ad posting policy

16. Rulebook for employees in the public sector, determining the codes, entering and deleting the employment from the catalog in the public sector

The level of the proposed analysis is very detailed in order to identify and point out the regulations where the discretionary rights might be either unintended or too wide. Therefore, only the main pieces of legislation were analyzed in such detailed manner, namely:

1) Law on Government;
2) Rules of Procedure of the Government;
3) Labor Relations Law;
4) Law on salary and other compensations of the members of the Parliament in the Assembly of the Republic of Macedonia and the other appointed persons;
5) Law on Administrative Servants;
6) Law on the Public Sector Employees;
7) Law on The Organization and Operation of the State Administration Bodies.

During the course of the Project a separate analysis was carried out on the Draft Law on Senior Administrative Officials. The adoption of this Law is very necessary and is strongly recommended in all the reports of this Project as well as in recommendations of other projects.
In the framework of this Project the version of the draft law on Senior Administrative Officials was analyzed that was publicly available in June 2021. Regretfully, shortly before the end of the Project, information was received that a new version of the Law on Senior Administrative servants has been published, returning to more discretion and more political influence on the employment of senior administrative officials. A more detailed analysis of risks of political influence is available in the report analyzing the draft. But the risks identified may facilitate weakness of Public administration, distrust in state power and legal nihilism, which significantly hinders and undermines the development and growth possibilities of the Republic of North Macedonia.

The methodology of the analysis is explained further in this report, and it can be continued and applied also to other laws and bylaws either in other sectors of public administration of the Republic of North Macedonia.

Detailed analysis is reflected in the table where the existing discretionary powers in general legislation of employment are checked against several important benchmarks:

1. The provision of the Law under analysis.
2. The decision made according to the particular discretionary right.
3. The authorized person to make that decision.
4. The criteria defined for making the decision.
5. The deadlines either for making the decision or for its implementation or the term of the decision made.
6. The existence of a written justification of the decision in order to explain, prove and justify that the existing discretionary power was used appropriately.
7. The existence of an appeal procedure.
8. Existence of a regulation for public availability of the particular procedure, decision, its justification or any kind of information about the discretionary power used.
9. Analysis on whether and to what extent the decision that was made impacts the remuneration of a person involved.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.
The highlighted areas are meant to be subject to further discussions whether and what kind of changes are necessary to the laws analyzed. The red areas should be discussed and corrected as soon as possible, while for areas colored in yellow additional discussions may be necessary, but the existing regulation draws attention and creates areas of risk.
3. FORMS OF EMPLOYMENT IN THE REPUBLIC OF NORTH MACEDONIA

The laws shown below reflect the laws identified by the experts of the Project. The real number of laws may be even bigger.
4. VERIFICATION OF THE RESULTS

The methodology used by the Project during the analysis of the applicable laws and the main criteria for restricting the discretionary rights were discussed and verified during the workshop organized by the Project on October 18, 19, and 20, 2021. Representatives from all involved ministries and other stakeholders were invited to the workshop.

Many problems, risks and vulnerabilities regarding excessive discretion of public administration and especially political influence on employment procedures were identified during the workshop.

The participants of the workshop agreed that discretionary power may be either positive or negative, and it depends on the person using it. But in order to prevent arbitrary and excessive use of discretionary power which may lead to favoritism and nepotism, certain limits must be imposed. The limits offered by the experts of the Project were discussed and accepted during the workshop.

During the third day of the workshop a piloting of the proposed employment procedure was carried out, including the process of framing discretionary powers and providing justification for each decision.
5. LAW ON GOVERNMENT

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities

According to the suggestion of JNKE of the project following articles of the Law on Government were analysed:
Articles 11-14; 39-42; 50-51.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.

Government is an institution formed according to political considerations and taking into account the results of elections and the balance of coalition and opposition forces. Government also is an institution on the top of the pyramid of public administration institutions.

Article 8 of the Law on the Government, which lists the competencies of the Government of the Republic of Macedonia, does not speak about development of public administration or competence of public administration employees. Still, these are and should be among others also tasks of the Government since main tasks of public administration institutions and employees include execution of policies determined by the Government. The quality of public administration is crucial for the quality of implementation of political priorities of the Government. Therefore, due and significant attention must be paid to the competence, effectiveness, recruitment, trustworthiness and also loyalty and safety of public administration officials in order to be able to recruit the best candidates possible and in order to make public administration an attractive an desired working place.

Further the discretion in the regulation of the Law on the Government of the Republic of Macedonia will be analyzed, bearing in mind that each member of the Government should be able to employ several political advisors according to his or her full discretion. But this discretion should not reach further than the direct political office of the Member of the Government, formed out of a limited number of advisors. This number may be an object of political discussions, but the result of these discussions (the size of the “bureau” of a particular minister) should be available publicly. It is recommended that the number of politically recruited persons does not exceed 10 or 15 persons for one member of the Government. But determining this number must definitely go together with elimination of political impact on the rest of the public administration, including on the appointment of senior administrative servants.
Establishment of Boards, Commissions and Expert Councils is and should be one of the competencies of the Government. Still establishment, work and remuneration of these institutions should be more regulated, including regulations regarding composition of these institutions (whether they are composed of existing public administration employees or they have members from private sector), the remuneration of the members of these institutions (if they are remunerated, their remuneration and overall budget for that should be limited), public availability of the documents establishing these institutions, and public availability of the remuneration of the members of these institutions.

Nomination of directors of bodies of state administration, secretaries of state, secretaries general and other officials is an important function of the Government which at the same time should not be left to full discretion of the Government. In order to ensure the stability and professionalism of public administration, basic criteria and competition procedures including public announcement of all positions and defined main criteria for qualification as well as defined criteria for choosing the best candidate should be included either in the Law on the Government of the Republic of Macedonia or in specific legislation regulating particular institutions. In this realm during the work conducted within the Project it has become known that a separate Law for senior administrative (management) service has been prepared. It is strongly recommended that this law is finished, adopted and implemented in the structure of the public administration of the Republic of North Macedonia. In order to improve this process a separate analysis of the draft Law on Senior Administrative Service has been carried out and sent to the Government and Ministry of Information Society and Administration.
5.1. DETAILED ANALYSIS OF THE LAW ON GOVERNMENT

This section contains a detailed analysis of the Law on Government. The analysis was carried out according to the milestones described in Section 2 of this report. These milestones were chosen out of many others as first steps to ensure that the discretion now available to public officials of the Republic of North Macedonia is limited and put into a more understandable framework.

Detailed analysis of the Law on Government contains a total of 32 possible improvements throughout the law. 25 of them were marked red, but 7 – yellow.

In the field of transparency (public availability of information) a total of 7 possible improvements are suggested, all of them red.

Also, regarding possible and necessary justification of the decisions, 6 drawbacks are identified. 3 of them yellow for discussion but 3 – red, recommended for immediate improvement.
## 5.2. PLACES OF RISK IN THE LAW ON GOVERNMENT

<table>
<thead>
<tr>
<th>No.</th>
<th>Provision</th>
<th>Decision</th>
<th>Authorized person</th>
<th>Criteria</th>
<th>Deadline</th>
<th>Written justification</th>
<th>Appeal</th>
<th>Public availability</th>
<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Establishing professional and other offices/services for the needs of the Government, ministries and other state administrative bodies – Article 36 (3)</td>
<td>To establish a professional or other office/service for the needs of the Government, ministries and other state administrative bodies.</td>
<td>The Government</td>
<td>Not established.</td>
<td>Not relevant</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td></td>
<td>Spokesman of the Government of the Republic of Macedonia is appointed and dismissed by the Government – Article 45-a (3)</td>
<td>To appoint or dismiss the spokesman of the Government</td>
<td>The Government</td>
<td>Not established.</td>
<td>Not regulated</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td></td>
<td>Establishing independent or joint professional and other services/offices – Article 41</td>
<td>To establish an independent or joint professional or other service/office.</td>
<td>The Government</td>
<td>Not established.</td>
<td>Not relevant</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td></td>
<td>Discretionary dismissals and deployments percentage – Article 44 (4)</td>
<td>To dismiss or deploy a person for political reasons</td>
<td>The Minister of Interior</td>
<td>Not established.</td>
<td>Not regulated</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td></td>
<td>Special advisors to the additional deputy of the Minister – Article 51 (1); (2); (6)</td>
<td>To employ a special advisor according to political insights</td>
<td>Additional deputy of the Minister</td>
<td>Not established – political. Maximum number of political advisors should be established.</td>
<td>Not regulated</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
</tbody>
</table>
6. RULES OF PROCEDURE OF THE GOVERNMENT

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities

According to the suggestion of JNKE of the project following articles of the Rules of Procedure of the Government were analysed:
Articles 4-17; 38-45a; 46-58; 99-102; 111-115; 125.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.

The Rules of Procedure of the Government should be the document where all issues left open in the Law on the Government are explained and regulated. Nevertheless, it is not always so. There are still many issues left open regarding the employment procedures and working conditions of the public administration officials. For example the work of the Secretary General of the Government is regulated mainly materially (tasks, competence) but there are no specific procedural regulations regarding employment relations – competition for the position, safeguards against political dismissal or politically motivated disciplinary action, a predetermined term of office, evaluation procedures, rights to be re-appointed, etc.

Looking for the competence of the Government as a whole or individual members of the Government in the field of employment, Articles 4-17 do not define any competence in this realm. It is recommended to change this, since ensuring professional and effective public administration is definitely one of the tasks of the Government.

Establishment of different working bodies is by no means important in the fulfillment of the tasks of the Government. Nevertheless, this decision should not be completely discretionary. Some criteria regarding the formation of the working bodies or at least public availability of the information about the working bodies formed should be regulated. Also, it should be clear whether work in these working bodies is remunerated and what is the level of this remuneration.
Moreover – it is important that the working bodies formed by the Government do not duplicate the work of the ministries or even contradict with the policies or tasks performed by the ministries. Establishment of a working body in addition to the existing public administration system should rather be an exception and not a regularity. Therefore, it is recommended to set some limitations to the discretion of the Government to decide on the existence and competence of working bodies. These limitations may be for example limiting the number of such working bodies, limiting the expenditure on the work of these bodies, determining the time limit for existence of these bodies (until completion of a particular task but no longer than 6 months, for example), limiting the scope of work of these bodies (only in multidisciplinary fields not covered by the competence of the ministries), restricting the remuneration or even providing no remuneration for working in these bodies, etc. It is recommended to form these commissions through changes in regulatory enactments, for example, the Rules of Procedure of the Government.

Articles 46 – 58 of the Rules of Procedure of the Government regulate manner of work of the working bodies. These norms allow for the ministers to be replaced with civil servants in cases the ministers are unable to participate in the sessions of the working bodies. This mixes up the status of the working bodies from political level where political and strategical questions may and should be discussed with executive level of public administration. Thus, the possibility to discuss issues and coordinate differences of opinion in a political arena is exchanged for the possibility to hold meetings regularly according to the schedule. It is recommended to consider changes to this regulation in order either to ensure the possibly of free political discussions or to cancel the existence of political working bodies and move all political discussions to the level of the meetings of the Cabinet of Ministers while the technical implementation is left to the officials of responsible ministries.

Articles 99 – 102 of the Rules of Procedure of the Government regulate appointments and dismissals of practically all highest officials of executive branch of the Republic of North Macedonia. Regretfully this regulation does not provide for any kind of procedures or criteria for carrying out the competition, choosing the best candidate, evaluating his or her competence and experience, no written justification is needed, no deadlines are set, and no public availability of the relevant decision is provided. Also, the appeal procedure is not regulated, although during the interviews it has been stated that the appeal is possible. Yet it is not used often, which raises doubts regarding the effectiveness of this procedure. The same applies to the dismissal of these officials. This full discretion may be easily abused by appointing the
candidates which are most loyal politically, but not the most competent or professional. Also, this gives grounds for the “culture of fear” where an appointed official is unable to give objective information contradicting the views of the minister in fear of being dismissed. This may lead to weak and unprofessional executive branch of the country, because it may also demotivate professionals at lower levels who are unable to implement the necessary but often unpopular reforms due to the weakness of the head of an institution.

It has become known to the experts that a draft Law on Senior Administrative Service is being prepared to regulate the appointment and dismissal of the senior officials. It is strongly recommended to proceed with this draft law. More reasoning on the necessity of such piece of legislation and a detailed analysis of the draft text made available to the experts is done in a separate document.
6.1. DETAILED ANALYSIS OF THE RULES OF PROCEDURE OF THE GOVERNMENT

This section contains a detailed analysis of the Rules of Procedure of the Government. The analysis was carried out according to the milestones described in Section 2 of this report. These milestones were chosen out of many others as first steps to ensure that the discretion now available to public officials of the Republic of North Macedonia is limited and put into a more understandable framework.

Detailed analysis of the Rules of Procedure of the Government contains a total of 52 possible improvements throughout the law. 44 of them were marked red, but 8 – yellow.

In the field of transparency (public availability of information) a total of 11 possible improvements are suggested, all of them red.

Also, regarding possible and necessary justification of the decisions, 11 drawbacks are identified, all of them red, recommended for immediate improvement.
### 6.2. PLACES OF RISK IN THE RULES OF PROCEDURE OF THE GOVERNMENT

<table>
<thead>
<tr>
<th>No.</th>
<th>Provision</th>
<th>Decision</th>
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<th>Criteria</th>
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<th>Written justification</th>
<th>Appeal</th>
<th>Public availability</th>
<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The Government is entitled to form permanent and occasional working bodies – Article 28</td>
<td>To establish a permanent or occasional working body</td>
<td>The Government</td>
<td>Not established</td>
<td>Not relevant</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>2.</td>
<td>The Government is entitled to form, abolish and determine the scope and tasks of the permanent working bodies – Article 29 (3)</td>
<td>To form, abolish and determine the scope and tasks of the permanent working bodies according to political reasoning</td>
<td>The Government</td>
<td>Not established</td>
<td>According to political reasoning</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>3.</td>
<td>Competence of basic commissions, special commissions and permanent consultative bodies - Articles 30 - 38</td>
<td>To nominate the composition of the Committee</td>
<td>The Government</td>
<td>Not established</td>
<td>According to political reasoning</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>4.</td>
<td>Formation of expert councils – Articles 39 - 42</td>
<td>To nominate particular persons to work in the Legal Advice Council and the Economic Council</td>
<td>The Government</td>
<td>Elected from the ranks of scientists and professionals, one of senior civil servants of the General Secretariat and a senior civil servant from the Office of the Prime Minister</td>
<td>According to political reasoning</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
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<th>Remuneration</th>
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<tr>
<td>5.</td>
<td>Establishment of an Audit Committee – Article 42a</td>
<td>To nominate particular persons to work in the Audit Committee</td>
<td>The Government</td>
<td>the President is the Minister for Finance, two members are from the ranks of members of the Government, one</td>
<td>According to political reasoning</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
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from senior civil servants of the General secretariat, a
senior civil servant from Office of the Prime Minister,
one managing civil servant from the Ministry of Finance and one
member of the ranks of scientists

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<th>No.</th>
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</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>Formation of occasional working bodies – Article 43 (1) and (2).</td>
<td>To form an occasional working body</td>
<td>The Government</td>
<td>For consideration of certain issues of its own competence basically according to political criteria</td>
<td>According to political reasoning</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>7.</td>
<td>Formation of working groups – Article 43 (3)</td>
<td>To form a working group to perform certain tasks in emergencies</td>
<td>The Prime Minister</td>
<td>Emergency</td>
<td>According to political reasoning</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>8.</td>
<td>Formation of working groups – Article 58</td>
<td>To form a working group to study certain issues</td>
<td>The working body</td>
<td>For studying certain issues and compiling a report on those issues</td>
<td>According to the discretion of the working bodies</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>9.</td>
<td>Appointment and dismissal procedure – Article 100</td>
<td>To appoint or dismiss Secretary General, his deputies, directors and deputy directors of independent bodies of state administration and the Secretariat for legislation</td>
<td>The Government according to the proposal of the Prime Minister</td>
<td>Not specified</td>
<td>Not specified</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not relevant</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Appointment and dismissal procedure – Article 101</td>
<td>To appoint or dismiss Secretaries of State in the</td>
<td>The Government according to the</td>
<td>Not specified</td>
<td>Not specified</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not relevant</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Appointment and dismissal procedure – Article 102</td>
<td>To consider a proposal for appointment or dismissal</td>
<td>The Commission for Appointments, consulting directly with the Prime Minister</td>
<td>Not specified</td>
<td>Not specified</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not relevant</td>
</tr>
</tbody>
</table>
7. LABOR RELATIONS LAW

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities.

According to the suggestion of JNKE of the project following articles of the Labor Law were analysed:
Articles 13-29; 48-55; 90-93; 203-225; 248-249; 256-263.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.

Labor Relations Law in the Republic of North Macedonia as well as in many other countries of the world is a general law regulating employment relationships both in public and private sector. Therefore it offers a large variety of discretion to select and employ people justified by an assumption that a private employer who spends his earned money on employment will make the best choices most relevant to his needs and possibilities. Regretfully this is not always true for the public sector where the money comes from the budget and is not earned by particular employees, civil servants or elected officials. Therefore, the abuse of available powers, discretion and resources tends to be much more tempting in the public sector.

This situation is most often resolved by specific regulations binding only for the public sector employment. These regulations may either be implemented into the specific articles of the Labor law or a separate chapter regulating specifics of employment in the public sector may be added. Mostly these specific regulations are more restricting for public sector employers, leaving the overall regulation regarding employees similar for both public and private sector. The restrictions for employers might provide more detailed criteria for announcing the vacancy and evaluating the applications, choice of the employee and elimination of possible conflicts of interest, and also a regular review of functions and tasks in order to find out the real necessity for each new job post or a possibility for internal reallocation of resources instead. Also the freedom of choice of employees should not be unrestricted in public sector since it seriously endangers the professionality and effectiveness in public sector, leaves open doors for corruption and fake employment and undermines trust of the society leading to failure of public administration.
There are only some provisions specifying rules for employing people in the public administration. For example, Article 22 parts (3) and (4) speak about proper and just involvement of members of all ethnic communities and publishing the announcement in at least one newspaper using a minority language. At the same time there are no restrictions on how, when and under what circumstances people for public administration institutions can be employed through and Employment Agency or on temporary basis. Part (5) of Article 22 specifies exceptional situations when employment of a person for public administration is allowed without a public announcement, but there are no criteria for determining which cases are urgent and there is nobody to check the urgency. Also, there is no limit to the number of urgent situations in a row, which may result in circumvention of the law and abuse of public powers.

Article 23 defines the content of public advertisement for vacancies. Yet it does not prescribe that the advertisement should contain any information regarding the competition procedure and evaluation of applications and applicants. This may be relevant for private sector where no particular criteria are necessary and the choice is free, but it is more problematic for public sector, where the procedures and evaluation criteria should be rather specifically described.
7.1. DETAILED ANALYSIS OF THE LABOR RELATIONS LAW

This section contains a detailed analysis of the Labor Relations Law. The analysis was carried out according to the milestones described in Section 2 of this report. These milestones were chosen out of many others as first steps to ensure that the discretion now available to public officials of the Republic of North Macedonia is limited and put into a more understandable framework.

Detailed analysis of the Labor Relations Law contains a total of 26 possible improvements throughout the law. 17 of them were marked red, but 9 – yellow.

In the field of transparency (public availability of information) a total of 4 possible improvements are suggested, all of them red.

Also, regarding possible and necessary justification of the decisions, 7 drawbacks are identified. 3 of them yellow for discussion but 4 – red, recommended for immediate improvement.
### 7.2. PLACES OF RISK IN THE LABOUR RELATIONS LAW

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<thead>
<tr>
<th>No.</th>
<th>Provision</th>
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<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Establishment of Labour relations – Article 13.</td>
<td>To sign an employment contract</td>
<td>The employer</td>
<td>Not specified</td>
<td>Before entry to work</td>
<td>Not applicable</td>
<td>Not applicable</td>
<td>Not available</td>
<td>Not applicable</td>
</tr>
<tr>
<td>2.</td>
<td>Period of employment – Article 14.</td>
<td>To sign an employment contract for a definite or an indefinite period</td>
<td>The employer</td>
<td>Not specified</td>
<td>Upon signing of the employment contract</td>
<td>Not regulated</td>
<td>Not applicable</td>
<td>Not available</td>
<td>Not applicable</td>
</tr>
<tr>
<td>3.</td>
<td>Freedom of contract – Article 21.</td>
<td>To employ a particular person</td>
<td>The employer</td>
<td>Not specified</td>
<td>Before signing an employment contract</td>
<td>Not necessary</td>
<td>Not provided</td>
<td>Not available</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4.</td>
<td>Manner of recruiting employees – Article 22.</td>
<td>To employ a person directly or through an Employment Agency</td>
<td>The employer</td>
<td>Not specified</td>
<td>Before entry to work</td>
<td>Not necessary</td>
<td>Not provided</td>
<td>Not available</td>
<td>Not applicable</td>
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<tr>
<td>5.</td>
<td>Employment without public announcement – Article 22 (5)</td>
<td>To recognize a situation as urgent</td>
<td>The employer</td>
<td>Not specified</td>
<td>30 days, no information about possible extensions</td>
<td>Not necessary</td>
<td>Not provided</td>
<td>Not available</td>
<td>No information</td>
</tr>
<tr>
<td>6.</td>
<td>The content of the Public advertisement – Article 23.</td>
<td>To publish an advertisement with a certain content</td>
<td>The employer</td>
<td>The content of the advertisement is rather specified but it lacks information about the competition procedure – what and how will be evaluated under what conditions.</td>
<td>The deadline for applications must not be shorter than three days. Upper limit is not specified. The evaluation time of applications is defined according to the number of applications received.</td>
<td>Not necessary</td>
<td>Not provided</td>
<td>Not available</td>
<td>Not applicable</td>
</tr>
<tr>
<td>No.</td>
<td>Provision</td>
<td>Decision</td>
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<td>Criteria</td>
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<td>7.</td>
<td>Training of temporary employees – Article 25 (11).</td>
<td>To invest in a training of temporary employees</td>
<td>The employer</td>
<td>Not specified. Since temporary employment and investing in people employed temporarily should not be the goal of the public administration, an exception for public administration as an employer should be made in the law.</td>
<td>Not specified</td>
<td>Not necessary</td>
<td>Not provided</td>
<td>Not available</td>
<td>Not applicable</td>
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<tr>
<td>8.</td>
<td>Part time employment – Article 48</td>
<td>To conclude employment agreement for shorter time than full working hours</td>
<td>The employer</td>
<td>Not specified. Could be specified for public administration in order to ensure that this type of employment is not abused by a person working in more places than possible, for example.</td>
<td>Not specified</td>
<td>Not necessary</td>
<td>Could be provided for public sector</td>
<td>Not provided</td>
<td>Not available</td>
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<tr>
<td>9.</td>
<td>Employment from home – Article 50</td>
<td>To offer work that is carried out in premises different than the employer’s.</td>
<td>The employer</td>
<td>Possibility to do the work. Absence of restrictions either in law or in a decision of a Labor inspector.</td>
<td>Not specified</td>
<td>Not necessary</td>
<td>Could be provided for public sector</td>
<td>Not provided</td>
<td>Not available</td>
</tr>
<tr>
<td>10.</td>
<td>Management contracts – Article 54 and 55.</td>
<td>To provide special regulations in a Management Contract.</td>
<td>The employer</td>
<td>Not specified. Could be specified minimum requirements, leaving open all possibilities that exceed these minimum requirements or employment guarantees.</td>
<td>Not specified</td>
<td>Not necessary</td>
<td>Could be provided for public sector. Also similar criteria for all same level managers in public sector could be provided in order to ensure transparency and non-discrimination.</td>
<td>Not provided</td>
<td>Not available</td>
</tr>
<tr>
<td>11.</td>
<td>Representativeness of trade unions and employers’ associations – Article 213a</td>
<td>To admit the representativeness of a trade union or employers’ association</td>
<td>Ministry responsible for labor affairs</td>
<td>Can be found in Articles 212 and 213 of the Labor law</td>
<td>Not defined for the Commission. For the Ministry – 15 days after the decision of the Commission. Article 213-e</td>
<td>Not required</td>
<td>Within 15 days to the State Commission for administrative procedure in labor relations, later administrative dispute in court (Article 213-e)</td>
<td>In the Official Gazette of the Republic of Macedonia (Article 213-g)</td>
<td>No information</td>
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<td>12.</td>
<td>Misdemeanour procedure for irregularities in the labor relations – Article 258-a to Article 263.</td>
<td>To submit a request for initiating misdemeanor procedure before the misdemeanor commission.</td>
<td>Labor inspector</td>
<td>Irregularities in employing people. Not detailed division between light and severe irregularities or similar.</td>
<td>Not defined</td>
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<td></td>
<td></td>
<td>Not required</td>
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<td></td>
<td>Within 8 days to the State Commission for administrative procedure in labor relations. No information regarding appeal in the court</td>
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<td></td>
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<td>No information</td>
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<td></td>
<td></td>
<td></td>
<td>Not relevant</td>
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</tbody>
</table>
8. LAW ON SALARY AND OTHER COMPENSATIONS OF THE MEMBERS OF THE PARLIAMENT IN THE ASSEMBLY OF THE REPUBLIC OF MACEDONIA AND OTHER APPOINTED PERSONS

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities

According to the suggestion of JNKE of the project following articles of the Law on salary and other compensations of the members of the Parliament in the assembly of the Republic of Macedonia and the other appointed persons were analysed:
Articles 1-3; 8-17v; 26-29.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.

The Project is not entitled to give opinions regarding the amount of the remuneration, therefore no comments regarding specific coefficients shall be expressed. At the same time since the Project analyses the discretionary powers, attention is being paid to the Articles where the discretion in setting the amount of the salary is available. From the Articles pointed out by the SNKE variable salaries are provided in Article 15 (up to 3.70), Article 16 (up to 3.40), Article 17 (up to 3.20), Article 17-b (up to 2.80). No specific criteria for determining a particular salary for a particular official are provided, which obviously leaves this decision to the discretion of the head of the institution. As can be seen from the analysis of other pieces of legislation above, it is important to provide for the authorized person for making a particular decision, for certain criteria and written justification. In some countries also the amount of salaries of public officials is publicly available in order for the public to be able to control the usage of public funds. The Articles mentioned above do not provide for the mentioned criteria.

Articles 26 – 29 provide for various kinds of compensations available to elected and appointed persons of the Republic of North Macedonia. Article 29 provides for the discretion of the Authorities in determining these compensations. Although various compensations may be used
as a tool to attract and keep employees in the public service of the Republic of North Macedonia, they may be difficult to manage and if there is a discretion in determining the amount of these compensations, there is also a significant risk of abuse of this discretion. Therefore, it might be considered to remove the available compensations in favor of an increase in the general salaries, to make the system more transparent and to reduce the risk of abuse of discretionary powers.
9. LAW ON ADMINISTRATIVE SERVANTS

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities

According to the suggestion of JNKE of the project following articles of the Law on Government were analysed:

Articles 13-20; 30-47; 48-53; Chapter XII.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.

The regulation in Article 23 (9) of the Law Administrative Servants states that the term of office of the State Secretary ends with the term of office of the official who appointed him. This regulation leads to a situation in which State Secretary becomes a politically appointed and politically affiliated person rather than a public administration official ensuring the continuity, institutional memory and professionality of the highest post of the public administration institution. It is strongly recommended to set the term of office of the State Secretary according to the cycle that does NOT correspond either to the election cycle or to the term of office of the Government. Also, the criteria for dismissal of the State Secretary before the end of the term should be precisely determined by the law. After the end of the term of office a competition should be organized where the existing State secretary is allowed to take part and it might even be considered a preference in case evaluation of all other candidates leads to similar results. At the same time maximum number of possible uninterrupted terms of office for one person in one place should be regulated in order to ensure the possibility of change and prevention of stagnation and immersion.

Regulations regarding recruitment of administrative servants are quite detailed in the Law on Administrative Servants (Articles 30-47), also the transparency in the sense of public availability of all information and the results is provided by placing all information on the web site of the Agency for Administration. Therefore, no specific recommendations for this part will be provided. At the same time the Law on Administrative servants does not regulate in detail work
of the Recruitment Committee and the order and procedure of evaluating the candidates both in the first stage of administrative selection and in the third stage of interviewing the candidates. A detailed regulation and subsequent necessity to justify the points given to each of the candidates is especially important at the stage of the interviews.

Therefore, it is recommended to prepare an evaluation list for each of the members of the Recruitment Committee, where the basic questions to be asked are prepared and the maximum and minimum available points for each answer provided. Also, a place for justification for one or another number of points should be filled in by each of the members of the Recruitment Committee. This is important because it will later be the only material based on which the objectivity and impartiality of the competition procedure may be checked. If all evaluations are justified by each of the members of the Recruitment Committee, the sum of these justifications will provide for a full view of the overall situation and hopefully convince the Second instance appeal committee or the court about the lawfulness and objectivity of the procedure if it is appealed.

Also, according to the existing regulation, the points gained in previous stages of the competition only impact the possibility of getting to the next stage, but once the candidate has made his or her way to the next stage, previously gained points do not play a big role any more with the only exception provided for in Article 44(5). Although it is possible to organize the recruitment procedure this way, it is also possible to organize it differently – by giving a certain proportion or weight of the results of each of the stages in the final evaluation. This would make it possible to vary these proportions according to the needs of the vacancy. For example, if a head of the department is hired, more weight could be given to the results of the interview, but if a senior officer is needed, more impact might be left to the examination stage. Sometimes if a junior assistant is necessary, the result of the administrative selection might be decisive. Of course, the proportions of each stage in the final result must be publicly known in advance – at the stage of publishing the announcement.

The promotion regulation (Articles 48-53) is also rather detailed, although at this point it only refers to internal promotions within one institution and does not provide for a more general competition within the whole public administration. It might be useful to consider the possibility of organizing wider competitions within sectors or within all public administration in cases managerial positions must be filled. Also, the principles described above regarding conducting
of the interview and giving justification for the points given to each candidate by each member of the Promotion Selection Commission may be applied to the promotion procedure as well.
9.1. DETAILED ANALYSIS OF THE LAW ON ADMINISTRATIVE SERVANTS

This section contains a detailed analysis of the Law on Administrative Servants. The analysis was carried out according to the milestones described in Section 2 of this report. These milestones were chosen out of many others as first steps to ensure that the discretion now available to public officials of the Republic of North Macedonia is limited and put into a more understandable framework.

Detailed analysis of the Law on Administrative Servants contains a total of 45 possible improvements throughout the law. 21 of them were marked red, but 24 – yellow.

In the field of transparency (public availability of information) a total of 10 possible improvements are suggested, 4 of them yellow but 6 – red.

Also, regarding possible and necessary justification of the decisions, 14 drawbacks are identified, 3 of them yellow but 11 red, recommended for immediate improvement.
### 9.2. PLACES OF RISK IN THE LAW ON ADMINISTRATIVE SERVANTS

<table>
<thead>
<tr>
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<th>Provision</th>
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<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Appointing the Director of the Agency for Administration – Article 16</td>
<td>To appoint a director of the Agency for Administration</td>
<td>The Assembly upon proposal of the Government</td>
<td>Qualification criteria are defined in the law. Yet no procedure of announcing the vacancy or evaluating the candidates is described.</td>
<td>Not defined</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not required</td>
</tr>
<tr>
<td>2.</td>
<td>Appointing the Deputy Director of the Agency for Administration – Article 16</td>
<td>To appoint a Deputy director of the Agency for Administration</td>
<td>The Assembly upon proposal of the Government</td>
<td>Qualification criteria are defined in the law. Yet no procedure of announcing the vacancy or evaluating the candidates is described.</td>
<td>Not defined</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not required</td>
</tr>
<tr>
<td>3.</td>
<td>Conducting the selection procedures of employees – Article 18</td>
<td>To decide upon the amount of the fee to be charged for carrying out a selection procedure for employees not having a status of a civil servant</td>
<td>The Agency for Administration</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not required</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not relevant</td>
</tr>
</tbody>
</table>
To set up a Committee for deciding complaints in Second Instance – Article 19 (4)

To form a Committee for deciding complaints in Second Instance – selecting a President, four members and their deputies.

The Director of the Agency for Administration

Principles of expertise and competency. Not enough to exclude arbitrariness.

Not regulated

Not required

Not regulated

Not relevant

To establish rules of procedure regarding the work of the Committee for deciding complaints in Second Instance – Article 19 (10)

To establish rules of procedure regarding the work of the Committee for deciding complaints in Second Instance

The Director of the Agency for Administration

Not regulated

Not regulated

Not required

Not relevant

Forming a Revision Committee - Article 19a

To form a Committee for revision procedure

The Director of the Agency for Administration

Representation from MISA, Agency and scientific public is provided but no further criteria for their selection are defined.

Not regulated

Not required

Not regulated

Not relevant

Public announcement for the position – Articles 34 and 35

To publish an announcement and determine its content

The Agency for Administration

The publishing procedure is regulated but the content of the announcement is not regulated. It should contain all the requirements from Article 31, especially specifying those described in part (2) of Article 31.

Well regulated

Not relevant

Not relevant

Well regulated

Administrative selection – Article 39

To make an administrative ranking list

The Selection Commission

Defined in the law. Yet it is recommended that a separate evaluation table

15 days after sending the applications

Not required

Not regulated. Also, probably not necessary at this stage.

Rating is announced on the web site of the Agency.

Not relevant
### Examination procedure – Articles 40 and 41

| Examination procedure – Articles 40 and 41 | To hold and evaluate the examination procedures | The Selection Commission Defined in the law. | No shorter than 10 days and no longer than 30 days from the day of announcement of the results of administrative selection | Not necessary. Yet it is recommended to provide an insight in the evaluation system of the questions. Do all correct answers give the same number of points? How many points are necessary to pass the exam? How many of the total of 500 points are prescribed in Article 41(3) – violation of the examination rules. | Everything is streamed online | Not relevant |

- Stating the “value” of each criterion, maximum points for each position and proportionate value of administrative evaluation against other phases of evaluation is developed for each position. This may be useful later if appeal procedure is initiated.
<table>
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</thead>
<tbody>
<tr>
<td>10.</td>
<td>Phase 3 – verification and interview – Article 42</td>
<td>To conduct an interview and evaluate its results.</td>
<td>The Selection Commission</td>
<td>General and special work competences related to the description of the work post.</td>
<td>Within 10 days after the examination</td>
<td>Not required.</td>
<td>Only the ranking list with a result is provided.</td>
<td>Within 9 days</td>
<td>On the web site of the Agency.</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>The preparation of the list of questions and evaluating guidelines are not regulated.</td>
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<tr>
<td>11.</td>
<td>Establishment of the Promotion Selection Committee – Article 50</td>
<td>To establish a Promotion Selection Committee</td>
<td>The head of the institution</td>
<td>Provided in detail in parts (2), (3), (4), (5) and (6) of Article 50</td>
<td>No deadline for establishing the Promotion and Selection Committee or performing its evaluation work.</td>
<td>Not required.</td>
<td>Only the ranking list with a result is provided.</td>
<td>Not applicable</td>
<td>Not regulated.</td>
</tr>
<tr>
<td>12.</td>
<td>Promotion selection and decision on promotion – Articles 51 and 52</td>
<td>To select and decide on the candidate to be promoted</td>
<td>The Promotion Selection Committee and the head of the institution</td>
<td>The highest number of points gathered in the administrative selection and the interview.</td>
<td>Within three days after receiving the proposal</td>
<td>Not required.</td>
<td>Only the ranking list with a result is provided.</td>
<td>Within 8 days to the Agency</td>
<td>On the website of the institution</td>
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<td>13.</td>
<td>Pronunciation of disciplinary measure – Article 75</td>
<td>To decide on a disciplinary measure for a disciplinary irregularity</td>
<td>The head of the institution</td>
<td>Written report from a superior administrative servant</td>
<td>Regulated via the obsolescence period (Article 78)</td>
<td>Not required.</td>
<td>Within 8 days to the Agency</td>
<td>Not regulated</td>
<td>Can be affected by the disciplinary</td>
</tr>
</tbody>
</table>

No.
<table>
<thead>
<tr>
<th></th>
<th>Disciplinary procedure for disciplinary offense – Article 76</th>
<th>To decide on the disciplinary measure for a disciplinary offence</th>
<th>The head of the institution on the basis of the proposal from the disciplinary commission</th>
<th>Disciplinary measure should be adequate (Article 76 (5)).</th>
<th>Regulated via the obsolescence period (Article 78)</th>
<th>Not required</th>
<th>Within 8 days to the Agency or other competent institution</th>
<th>Not regulated</th>
<th>Can be affected by the disciplinary measure applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.</td>
<td>Suspension of an administrative servant – Article 80</td>
<td>To suspend an administrative servant</td>
<td>The head of the institution</td>
<td>If the injury is such that his or her further presence in the institution might frustrate or hinder the establishment of liability</td>
<td>Until the adoption of an enforceable decision. This might lead to a rather long period of suspension</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not regulated. The right to receive remuneration during the period of suspension should be regulated.</td>
</tr>
<tr>
<td>15.</td>
<td>Termination of employment – Article 98</td>
<td>A decision to terminate employment of an administrative servant</td>
<td>The head of the institution</td>
<td>Numbered in the law, but some also subject to discretion.</td>
<td>Not regulated</td>
<td>Not required</td>
<td>Within 8 days to the Agency</td>
<td>Not regulated</td>
<td>Not relevant</td>
</tr>
</tbody>
</table>
10. LAW ON THE PUBLIC SECTOR EMPLOYEES

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities.

According to the suggestion of JNKE of the project following articles of the Law on Government were analysed:
Articles 2., 3., 20a-36, 39, 42-45.

The analysis offers a “traffic light principle” according to which the most problematic situations are highlighted red, less problematic are highlighted yellow, but situations where no significant drawbacks are identified are not highlighted.

Employment in the Public Sector of the Republic of North Macedonia is planned by annual employment plans. These plans are prepared yearly and they and all changes in these plans are harmonized with Ministry of Information Society and Administration, Ministry of Finance and Ministry of Political System and Inter-Community relations. The interviews with stakeholders have shown that this procedure is perceived as hindering recruitment in the public sector and is often presented as an excuse for hiring people for temporary work. An efficient public service should find a balance between flexibility on the one hand and consistency on the other, discretion of the head of the institution on one hand and prevention of arbitrariness on the other. Therefore, the procedure of harmonization of annual employment plans should not be very complicated in case an easy and understandable justification for the necessary changes is provided. At the same time in order to prevent excessive and ill-considered changes to annual employment plans, the number of amendments during the course of the year might be limited.

The selection procedure for public sector employees is partly regulated in the Law on the Public sector employees, but mostly in separate laws regulating each separate sector. In order to have a full and unified view on public sector recruitment in the Republic of North Macedonia it is recommended to unify and to provide all basic regulations for public sector employees in this “roof law” while only those details characteristic merely to the specific sector may be left in separate laws.
The same applies to the termination of employment which is very vaguely regulated in the Law on Public sector employees and basically leaves all procedures for regulation in other laws. It would be better to regulate also employment termination procedures in a standard way in this “roof law”, leaving only very specific regulations in other pieces of legislation. This would make the work in the public administration of the Republic of North Macedonia more understandable, transparent and clear.

One of most often mentioned problems during the interviews was the recruitment of temporary workers in different legal capacities. Employment for a definite period of time is defined in Article 22 of the Law on the Public sector employees. The criteria for employing people temporarily are quite wide and open to discretion, which is hard to eliminate, because all of the defined criteria may be objective but may also be interpreted subjectively. Yet the procedure of employing people temporarily gives possibility to avoid the competition procedure and annual planning of employment, and this trend should not be supported. Interestingly that during the interviews it was established that there are several institutions, including Ministry of Information Society and Administration not informed about the practice of employing and transferring temporary employee. This might be due to a reason that the harmonization of the transformation is only necessary with the Ministry of Finance. Elimination of such practice is moreover the matter of common agreement but may also be done by eliminating the period of temporary employment and not allowing transfers from temporary to indefinite employment.
10.1. DETAILED ANALYSIS OF THE LAW ON THE PUBLIC SECTOR EMPLOYEES

This section contains a detailed analysis of the Law on Public Sector Employees. The analysis was carried out according to the milestones described in Section 2 of this report. These milestones were chosen out of many others as first steps to ensure that the discretion now available to public officials of the Republic of North Macedonia is limited and put into a more understandable framework.

Detailed analysis of the Law on Public Sector Employees contains a total of 18 possible improvements throughout the law. 4 of them were marked red, but 14 – yellow.

In the field of transparency (public availability of information) a total of 5 possible improvements are suggested, 4 of them yellow but 1 – red.

Also, regarding possible and necessary justification of the decisions, 4 drawbacks are identified, 2 of them yellow but 2 red, recommended for immediate improvement.
## 10.2. PLACES OF RISK IN THE LAW ON ADMINISTRATIVE SERVANTS

<table>
<thead>
<tr>
<th>No.</th>
<th>Provision</th>
<th>Decision</th>
<th>Authorized person</th>
<th>Criteria</th>
<th>Deadline</th>
<th>Written justification</th>
<th>Appeal</th>
<th>Public availability</th>
<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Public announcement of a vacancy – Article 20-d</td>
<td>To publish an announcement and determine its content</td>
<td>The hiring institution</td>
<td>Existence of a vacancy. The content of an announcement is vaguely regulated. It is recommended to include information about the stages of competition and evaluation and scoring criteria and methodology.</td>
<td>Not regulated, which leads to delay of publications and temporary employment instead</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>The publication is publicly available</td>
<td>Not regulated: It may be considered to include the planned salary for the position in the public announcement</td>
</tr>
<tr>
<td>2.</td>
<td>Selection procedure – Article 20-e</td>
<td>Selection of the most suitable candidate/s</td>
<td>According to special laws</td>
<td>According to special laws</td>
<td>Not specified</td>
<td>Not required</td>
<td>Not regulated</td>
<td>Not relevant</td>
<td>Not relevant</td>
</tr>
<tr>
<td>3.</td>
<td>Employment for definite period of time – Article 22</td>
<td>To employ a person for a definite period of time</td>
<td>The head of the institution</td>
<td>Defined in Paragraph (1) of Article 22. Several points are open to discretion</td>
<td>Not specified</td>
<td>Not required</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>4.</td>
<td>Employment of special counsellors – Article 22 (11)</td>
<td>To employ special counsellors of political leaders</td>
<td>The relevant political leader</td>
<td>Full discretion</td>
<td>Not specified</td>
<td>Not necessary</td>
<td>Not relevant</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>5.</td>
<td>Transferring temporary employees to employees for indefinite period of time – Article 22 (15)</td>
<td>To transfer temporary employee to an employee for indefinite period.</td>
<td>The head of the institution upon consent of Ministry of Finance</td>
<td>If the indefinitely employed person does not return to work after two years period</td>
<td>After expiration of two years period</td>
<td>Not required Also, competition procedure is not carried out</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not regulated</td>
</tr>
<tr>
<td>6.</td>
<td>Termination of employment – Article 41</td>
<td>To terminate employment with a public sector employee.</td>
<td>According to special laws</td>
<td>According to special laws</td>
<td>According to special laws</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not regulated</td>
<td>Not relevant</td>
</tr>
</tbody>
</table>
11. LAW ON ORGANIZATION AND OPERATION OF THE STATE ADMINISTRATION BODIES

NOTE: Google Translate tool was used for translating the law from Macedonian to English language, which may cause irregularities

According to the suggestion of JNKE of the project following articles of the Law on Government were analysed: Articles 4-11, 38-54.

Law on the Organization and Operation of the State Administration Bodies (LOSAB) is a general law regulating the structure of public administration in the Republic of North Macedonia. At its present version it does not cover much discretion in the employment but is more a constitutive regulation providing for the establishment of main public administration institutions and their competencies.

LOSAB confers competence of development and coordination of the policies related to the human resources management to Ministry of Information Society and Administration, which provides a rather clear structure of responsibility.

According to Article 50 of LOSAB, the directors of independent state administration bodies are personally responsible to the Government. Consequently, the Government also appoints these directors and terminates their employment, which leads to an excessive margin of discretion and may diminish the professionality of senior management in the public sector of the Republic of North Macedonia. Therefore, a special law regarding senior administrative service is necessary.
12. **PROPOSAL FOR A GENERAL EMPLOYMENT PROCEDURE**

This proposal is indicative and can be applied for various employment procedures throughout public administration of the Republic of North Macedonia. It is meant for a general insight with a goal to offer unification of all employment possibilities and procedures.
13. RECOMMENDATIONS

After a thorough analysis of the general legislation regulating employment of the Public administration of the Republic of North Macedonia, the following main recommendations are offered:

1. To develop and adopt the Law on Senior Administrative Servants regulating the procedures of recruitment and employment of the heads of institutions.
2. To include in legislation regulating decision making a legal necessity to justify all administrative decisions, giving reasons for making one decision or another. This should be applied as a general principle for all decisions, but according to this analysis the necessities are identified in the Column no.7 of the tables analysing separate laws.
3. To regulate in more detail the work of the Recruitment Committee, including a necessity to work out and publish the criteria of evaluation (for example, the knowledge of which language, or which education, or what kind of experience, or participation in research will be considered an advantage).
4. To consider unification of basic recruitment, promotion and dismissal procedures for employees throughout the Public administration – either it is public service or civil service, leaving only technical staff to the procedure of general Labour law.
5. Most often the decisions regarding employment in public administration are not publicly available, which allows for speculations in this direction. Therefore, according to the “red light” in the tables, the changes should be made in respective regulations to make the decisions publicly available to everybody on the websites of institutions.
6. To regulate internal promotions not only within one institution but within the whole public administration.
7. To eliminate the possibility and practice of recruiting temporary workers and acting heads of the institutions by strictly observing the existing regulations. An audit regarding this topic should be carried out to fix the existing situation.
8. Responsibility of a public administration institution regarding the development and professionality of employment in public administration should be included in either the Law on the Government or LOSAB.
9. Specific regulations regarding formation of various boards, commissions and expert councils should be made more transparent by regulating their establishment, work and remuneration and by making all decisions regarding these institutions publicly available on the website of the Government or respective institution. A procedure should be established to ensure that the working bodies do not duplicate the competence of the ministries.

10. It is recommended to divide political and professional decision-making bodies. Situations when a politician or a civil servant may replace each other should be very rare. In order to avoid the situation when politicians have too many forums to participate in, the basic work can be delegated to civil servants, and only the initial task to be given and the result may be discussed at the political level, leaving all practical details to the professional level.