



NEWSLETTER

| December 2007 |



Center for Research and Policy Making

Center for Research and Policy Making
St. Mirche Macan bb 1000 Skopje Macedonia
tel: 389 2 3134 085 | 389 2 3216 645 (6)
www.crpm.org.mk | crpm@crpm.org.mk



Doing the right things at the right time is good policy making.
We create policies.

Center for Research and Policy Making

NEWSLETTER

| December 2007 |

Center for Research and Policy Making

CONTENT:

WELCOME NOTE | page 3 |

SUCCESS STORIES | page 4-6 |

- Capacity building of the Government of Macedonia
- Changing the EU rules of origin
- Budget watchdogs
- Reforms in Macedonian pension system
- Cheep flies to Macedonia

TRAININGS | page 7 |

- Training for policy making in municipalities
- Policy making and transparency budgeting trains



WELCOME NOTE

Center for Research and Policy Making (CRPM) is the leading Macedonian think tank. Since 2004 we are engaged in policy analysis, seeking to improve laws and regulations to aid the 'Europeanization' of Macedonia. We also deliver trainings, make evaluations and conduct surveys of public opinion. I am proud to report that in 2007 we have influenced

policy changes in five areas. Our policy studies and advocacy have resulted in changes of the laws regulating the recognition of diplomas earned at foreign universities. CRPM policy analyses have also directly influenced changes in the pension system regulation, the work of the betting houses and the policies stimulating low budget airlines to fly to Macedonia. We have also succeeded in having EU accept Macedonia's sub-regional association with Turkey within the system of diagonal cummulation of rules of origin. More on our activities in 2007 you can find in this newsletter.

Dr. Zhidas Daskalovski
President of CRPM

WWW.CRPM.ORG.MK



Capacity building of the Government of Macedonia

100 civil servants trained in policy making

The CRPM team in cooperation with the General Secretariat of the government and with financial support of the Norwegian Foreign Ministry and technical assistance of STATKONSULT has organized 7 training sessions to increase the policy making capacity of the Government of Macedonia. In the latest *Progress Report* on the Macedonian accession to the EU (issued November 1st 2007) the European Commission has recognized this activity writing that in Macedonia “progress has been made in the training of civil servants at local level.” (p.8)



“Made in Macedonia” Products Exported to EU

For three years now CRPM lobbies for Macedonian membership in the Pan-European Association for Diagonal Cummulation. As a result of the joined pressure from CRPM, producers, traders, and above all the Macedonian Custom Office, the European Commission has finally revised the protocols that regulate the association for diagonal cummulation and established sub-regional association between EU, Macedonia and Turkey which allows Macedonian producers to import raw materials from Turkey, process them into a final product and export into the EU freed from custom fees. This change will improve the competitiveness of products sold on EU markets under the "made in Macedonia" label.



9 watchdog organizations trained to monitor the making and execution of the national budget

The project strengthened capacities of local NGO's, businesses and the media providing them with the necessary skills and knowledge to understand the budgetary process. After the training the participants conducted sectoral budget analysis in the areas of their interest and operation. The analyses are used to inform policy discussions during the parliamentary debate on the adoption of the 2008 budget. This project aims at improving budget transparency as it will establish national Budget Watchdog network. So be aware we are watching how you spend public money!



Diplomas earned abroad now easily recognized!

CRPM is proud to announce one of our most successful results – the introduction of the changes in the Law on Higher education regarding recognition of diplomas earned at universities abroad. For a long period, Macedonian intellectuals who have obtained their academic and professional qualifications abroad faced numerous bureaucratic obstacles getting their diplomas recognized in the country. Their access to the local labor market was thus hindered. The recognition procedures were costly, time consuming and inferior to the European and even regional standard procedures. As a result of our policy study and intense advocacy now the recognition procedure is shortened and simplified, costing little. The benefit of the policy changes is evident – Diplomas are now recognized in a period of 7 days, compared with an average wait of 12 months before the changes. Thus, the CRPM team succeeded to restore the dignity of hundreds of bright Macedonians who can be the most vital pillar of the European future of Macedonia.

WWW.CRPM.ORG.MK



Reforms in Macedonian pension system

Decreased charges bigger pensions for the “second pillar” generation



CRPM analyzed the reformed Macedonian pension system. From the evidence presented in the policy paper it appears that the Macedonian citizens are encountering high opportunity costs. The first policy implication is that pension funds investment strategies should be reconsidered. Liberalization is necessary in order to allow appropriate diversification across instruments and countries. Secondly, the fees and charges are too high and should be reassessed by the pension funds and the state regulators. Thirdly, the pension funds should be able to compete by offering different risk-return investment strategies to their participants. Instead of being forced to hold the same portfolio they should be able to choose according to their risk tolerance and age. After presenting the first draft version of our study the regulators began the process of reducing the fees and charges for 0.6%.

“Mission completed- 39 Euros flights available now “

Few tourists fly to Macedonia, the tickets are expensive and the destinations to fly to are limited. CRPM published a policy paper “Flying Cheap to Macedonia- a Mission Impossible?” seeking to influence changes in this policy area. The main recommendations of the study were that the Macedonian Parliament completes the process of ratification of the European Common Aviation Area (ECAA), and the state authorities to reduce the airport fees and charges for air companies. We recommended the government to analyze the conditions under which the airports can be given for concession to foreign firms. The main recommendations were accepted resulting in cheaper flights and more flight destinations to/from Macedonia. One low budget airline has offered flights to Macedonia and others have expressed interest. Currently the authorities are considering if and under which conditions the airports can be leased.

WWW.CRPM.ORG.MK





Trainings for policy making in local government units in Macedonia

In 2007 the CRPM team delivered six training sessions in public policy-making to civil servants from the central government. Using practical and innovative methods the Center continued its capacity building training in analysis and policy making for the staff of the 84 municipalities throughout Macedonia. Case studies were used to bring the theory of policy making closer to the everyday responsibilities of the Local self-government units as policy makers. The trainings were delivered in six regions of the country. This project is funded by NORMAK–Norwegian Assistance to the Republic of Macedonia in the field of European Integration and Public Administration Reform- and the General Secretariat of the Government of the Republic of Macedonia.

Policy making and transparent budgeting trainings

In cooperation with Friedrich Ebert Stiftung Foundation (FES), CRPM delivered trainings on “Policy making and transparent budgeting”. The training was developed based on the Citizens Budget Guide published by CRPM and FES in 2006 Three groups of participants were targeted: representatives form municipalities, NGO’s and interested citizens. CRPM delivered altogether seven trainings throughout the county with more than 140 participants. The trainings were needed to support the decentralization process and inform the public servants in the local self-government to open policy making and budgetary process to citizens.





That is all from this edition of the CRPM newsletter. Riste Zmejkoski edited the newsletter with the assistance of Bashkim Bakiu, Zhidas Daskalovski, Marija Risteska, and Natalija Spasovska. Stay tuned to the latest activities of CRPM via internet at www.crpm.org.mk. We wish you a merry Christmas and all the best in 2008.

**Center for research and policy making_ St. Mirche Macan bb 1000 Skopje Macedonia_ tel: 389 2 3134 085
389 2 3216 645 (6)_ www.crpm.org.mk_ crpm@crpm.org.mk**

CRPM NEWSLETTER DECEMBER 2007