

A photograph of a desk with a green folder, a white sheet of paper with a red circle and blue lines, and a yellow pencil.

ANALYSIS
OF THE CONSULTATION
PROCESS FOR THE 2007
PROGRESS REPORT
FOR MACEDONIA



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1. Introduction

Macedonia is a European Union (EU) candidate country since 2005. The basis of its EU integration is “set” by the 2001 Stabilization and Association Agreement (SAA). The fulfillment of the three sets of Copenhagen criteria is the milestone in the EU integration process, closely observed by the Commission. Macedonia, as other candidate countries is evaluated on the level of fulfillment of a set of preconditions or benchmarks set by the EU Commission (EC) aimed at approximating the national legal framework and political institutions to those of the countries of the European Union. This study seeks to explore the evaluation methods of the EU Commission concerning the Macedonian progress in the fulfillment of the set benchmarks.

Each year in November, the eager eyes of the Macedonian and the Western Balkan public are focused on the publication of the EU Commission’s annual progress report, an evaluation that can speed up or slow down the process of accession to the European Union of the candidate countries. Therefore, the framework within the assessment of each country is conducted, is an important policy document. As the EU Progress Reports are based on socio-economic and legal analyses there are possibilities of misjudgments, mistakes, or confusions, especially if the rules of the game are not clear enough or the right criteria to make a judgment are not properly set.

This analysis aims to disclose the process of progress assessment conducted by EC, with special focus on Macedonia. Moreover, it aims to analyze the capacity of the EC for relevant policy assessment. The main starting point is that the evaluating process has to rely on clearly defined rules and criteria, to be institutionally defined, not to leave room for subjectivism at any point of the exercise. We judge that, transparency, inclusion and openness are the principles of key importance, for this process.

The tight conditions for EU accession and the monitoring through the Commission's reports have been fostered for the Central and Eastern European countries, a novelty compared to the previous EU enlargements. However, the methods used by the Commission in assessing the Euro- integration process of aspirant countries have faced great criticism¹. The EU commission assessments of a country's progress, in some cases, have been seen as too general and vague. What is more worrying, the critics have raised the question of in-transparency of the standards for progress measurement. These standards have never been published and are not publicly available, which has led to the conclusion that in many cases they have been decided *ad hoc*.² This was the main reason, for inconsistency and not coherent approach across policy areas and countries.

The question concerning the preparation of the Macedonian EU progress reports is, whether, and in what way this process has been improved. Has a lesson been learned?

In 2002 the Commission has tried to set some minimum standards for the Commission's consultation processes.³ The aim of this step was to make the process more inclusive, more transparent, to increase the accountability of the Commission, to rationalize the procedures of the consultation process, to provide coherent framework of the process and so on. This directly affects the process of preparation of policy proposals by the EU commission. Unfortunately, the preparation of progress reports is not explicitly mentioned in the document.

"...The Commission has not taken up the idea proposed by some participants that the scope of the standards should be generally widened (to cover all consultation)...[but]... the Directorates-General of the Commission are encouraged to apply the general principles and minimum standards to any other consultation exercises they intend to launch."⁴

¹ See for example, Heather Grabbe, *The EU's transformative power, Europeisation through conditionality in Central and Eastern Europe*, Palgrave Studies in European Union Policies: London, 2006, p. 64.

² Ibid.

³ COMMUNICATION FROM THE COMMISSION; Towards a reinforced culture of consultation and dialogue - General principles and minimum standards for consultation of interested parties by the Commission, Brussels, 11.12.2002; COM(2002) 704 final.

⁴ Ibid. Pg.10,15

It is questionable to what extent this “encouragement” would be a motivation for the Directorates-General (DG) to apply the principles and the minimum standards⁵ in any consultations. In addition to this, there is the problem of the nature of the document that regulates the minimum standards of the consultation process. Since it is in the format of the Commission communication, it implies that is not legally binding document. Therefore, one could legitimately doubt the capacity and the solid base of the minimum standards, to improve the consultation processes. Especially questionable is their reflection and application on the preparation of the progress reports.

Based of all abovementioned, this analysis sees the challenge in in-depth view of the consultation process conducted for the purposes of the progress report. Initially, a general overview of the process will be presented and then the analysis will focus on the Macedonian case.⁶ The aim of this analysis is to demystify the process, to recognize and point out its main shortcomings.

2. General overview of the consultative process conducted by EC for the preparation of the progress reports

The EU Commission conducts annual assessment, on the progress made by the aspirant countries for EU accession. In fact the European future of these countries is decided on the basis of the progress made and recognized in the reports. That is the basis for any recommendation made by the Commission for further deepening of the relations with the aspirant country. Thus, the process of data collection by the EU Commision is more than important for the final quality and relevance of the EC assessment. The preparation process of the progress report is continuous process, and takes place during the whole

⁵ There are 4 general principles: Participation; Openness and Accountability; Effectiveness and Coherence. Whereas the minimum standards are: *clear content of the consultation process, consultation of target groups, publication, time limits for participation, acknowledgement and feedback.*

⁶ Most of the information presented in this paper are gathered on the basis of interviews conducted with the relevant parties included in the EC consultative process; see ANNEX 1

year. All relevant issues covered by the Stabilization and Association Agreement (SAA), and the priorities set by the European Partnership are scrutinized by the EC through its different methods and approaches, framed by the Copenhagen criteria.

The general picture of the preparation process of the progress report is important. The process is conducted at two levels:

- At a “higher level” where the communication and the data collection is done in Brussels, directly by the representatives of the European Commission
- At a “local level” where the process is conducted by the EC delegation in each of the candidate or potential candidate countries.

At the Brussels level, the process is conducted through the institutional structure⁷ established by the SAA (for the countries, where SAA has entered into force). Within an SA Council, is being established that meets once a year at ministerial level. As an operative body a Stabilization and Association (SA) Committee is being established, that more concretely and directly follows the implementation of the SAA obligations. Seven subcommittees exist within the SA Committee in which the dialog between EU and the aspirant country is lead at a technical level.

Beside information gathered through this structure, EC is supplied with additional information and data through “alternative channels”. In this regard, an important source of information is the series of consultation meetings with various important international organizations. For this purpose, a list of relevant international organizations that are to be consulted at the highest level in Brussels is defined. Additional information at this level, the EC gathers through reports, analysis or written information provided only for this purpose, by international organizations (for example reports by the World Bank, information from the Open Society Institute’s Brussels office, International Organization for Migrations’ Brussels office and so on). An EU policy document that defines the selection criteria of the consulted international organizations does not exist. However, all

⁷ Relations between the Republic of Macedonia and the EU; Ministry of Foreign Affairs, Republic of Macedonia, <http://www.mfa.gov.mk/default1.aspx?ItemID=357>

international organizations that have desks in the aspirant country are consulted, if their scope of work is of interest for the progress report.

The process at local level is conducted by the EC Delegation in the aspirant countries. The monitoring and assessment process is done during the whole year, and several methods are used for data collection. A great part of the information is received by government reports send to the Delegation. Furthermore, consultative meetings with international organizations at local level, important non-government organizations, as well as meetings with relevant stakeholders provide additional information in the preparation of the progress reports. Finally, the EC Delegation gathers very important, first hand information, from the EU funded projects implemented in the country in question.

3. Overview of the process of preparation of the Macedonian progress reports

At the Brussels level, the most relevant institution in which the dialog between Macedonia and EU is lead is the framework established by SAA. With the entry into force of the SAA, a set of joint bodies⁸ have been established at ministerial level (SA Council), at senior official level (SA Committee) and at technical level (sub-committees). Following the entry into force of SAA between EU and Macedonia, the first meeting of the SA Committee took place on 3rd of June 2004 in Skopje. In general this Committee is to insure the continuity of the association relationship between Macedonia and the EU and the proper functioning of SAA.

Seven sub-committees have been set up, covering all areas of cooperation under the SAA:

⁸ Steven Blockmans and Adam Lazowski, *The European Union and its neighbours; a legal appraisal of the EU's policies of stabilisation, partnership and integration*; Asser Press: London – 2006, p.330.

- trade, industry, customs and taxation;
- agriculture and fisheries;
- internal market and competition;
- economic and financial issues;
- justice and home affairs;
- human resources, research, technological development and social policy;
- and transport, environment and regional development)

In the EU enlargement framework the SA Council is the highest institutional structure for bilateral political dialog and cooperation. The SAA between EU and Macedonia was signed in April 2001. Once it was ratified by all EU members, three years later, an SA Council was established in April 2004.⁹ The SAA provides the legal framework of the “EU-Macedonia” relations, for the entire period prior to the future accession. In principle, the meetings in the SA Council are held once a year.

On 24th of July 2007 the SA Council had its 4-th meeting, where the Macedonian delegation was headed by the Foreign Affairs Minister and the Deputy Prime Ministers. In addition the Interior Minister and the Justice Minister also participated at the meeting. On the part of the EU there were representatives of the country presiding with the Union, at that time Portugal, representatives of the succeeding presidency Slovenia, representative of the European Commission from the DG Enlargement and the head of the EC Delegation in Macedonia.¹⁰ The SA Council did a review of the Macedonian progress with regard to the Copenhagen criteria, and then the EU representatives informed the Macedonian authorities on the latest developments in the EU, regarding the Union consensus for enlargement and the reform of the EU Treaty.¹¹

Regarding the political criteria, the EU welcomed the resumed political dialogue in Macedonia. The efforts for effective implementation of the Ohrid Framework Agreement

⁹ EU-former Yugoslav Republic [sic] of Macedonia Stabilization and Association Council, COUNCIL OF THE EUROPEAN UNION, Brussels, 14 September 2004, 12336/04 (Presse 263)

¹⁰ MEETING OF THE STABILISATION AND ASSOCIATION COUNCIL BETWEEN THE EU AND MACEDONIA, Skopje, July 24 (MIA)

¹¹ Bulletin EUROPE, 20 July 2007, www.sep.gov.mk

were noted by the SA Council, by stressing that its implementation remains crucial criteria for the further process of EU integration. An another issue reviewed by the SA Council was the progress of the judicial reform, where the need of enactment of the remaining laws related to defining the role and the competencies of the public prosecutor, was noted. The progress regarding the preparatory activities for enactment of the Law on Police was also praised, insisting on improving the “dialogue” between the Government and the opposition on this issue.

Regarding the fight against the corruption, the EU welcomed the government’s demonstrated will to fight it stressing the need for continual and effective implementation of the adopted policy measures and achieving a strong political will as a main precondition for that. Furthermore, the public administration reform was reviewed. Attention was also paid to the progress in regional cooperation and the good neighborly relations, as well as to the agreements on visa facilitation and readmission. In addition, the SA Council noted the importance of the perspective for establishing mutual visa free travel regime.

The SA Council reviewed the progress made regarding the economic criteria. The progress achieved with regard to improvement of the business and investment climate was welcomed, as well as the continued macroeconomic stability and maintained fiscal discipline. However, the high level of structural unemployment and the need for further structural reforms was noted as a problem. Although progress was recognized in various areas such as customs, transport, internal market and competition, the administrative capacity was recognized as crucial factor for further and sustainable progress. Also issues such as competition, protection of intellectual property and competition in the telecommunication market were reviewed by the SA Council.

In the SA Council, EU and the Macedonia authorities have exchanged views on other important developments in the Western Balkans. The active participation of Macedonia in the new forms of regional cooperation in South Eastern Europe was positively assessed. In addition, the Macedonian military participation in the operation *Althea* in Bosnia and Herzegovina was recognized and welcomed.

Other important source of information judging the Macedonian progress in EU integration, are the consultations conducted in Brussels with international organizations at the highest level. Yet while all of the international organizations which have desks in Macedonia are consulted in Brussels, not all of them are directly consulted at local level. Thus, for example, the World Bank is consulted for the second economic criterion. The draft report on the progress report is send to the head office of the World Bank in Washington, which gets information from its branches around the world, including Macedonia. However, nobody from the World Bank office in Macedonia has taken part in the consultation process directly.

The consultations between the World Bank and the EC are conducted at the highest level, and are confidential. A similar story concerning the consultative process in Brusells is the cooperation between EC and the IOM. Although, IOM was consulted for the EC progress report, the mission in Macedonia did not take part directly in the consultation process. The mission in Macedonia was only indirectly included. Typically reports and information by the individual IOM missions are sent to IOM Brussels on its request. IOM Brussels has used some of these reports, including the Macedonian ones, in consultations with the EC. The same approach was used when contacting the Open Society Institue branch office in Brussels which used in its consultations with the EC, a report provided by the Macedonian branch of the Institute titled "Reflections on the progress of Macedonia in the EU Accessions." The repot partially covers the structure of the progress report. It focuses on the political criteria, while regarding the third set of criteria (the ability to assume the obligations of EU membership) it has comments only on four chapters. Within it was left to Skopje office of OSI to decide on which issues to give a feed back.

Such consultative meetings with international organizations in Brussels are habitually conducted in June of every year. The timing of the consultations coincides with the drafting of the EU's first draft report that has to be prepared by the end of June. On the other hand, the consultations are usually in the format of one-day closed meetings in Brussels, preceded by an exchange of existing documentation and policy reports via e-mail. Typically, the participants are invited to the meetings via e-mail and telephone two

months before the meeting. Sometimes that period is shorter and amounts to three to four weeks.

The discussion is lead on the basis of a short written report indicating the main issues to be discussed, which is submitted in advanced by the representatives of the international organization. In addition a common approach is that prior to the meeting, a questionnaire is sent by the EC to the international organization to evaluate Macedonia's progress. Those assessments are presented and discussed at a closed consultation session between the representatives of the international organizations and the representatives of the European Commission in Brussels. The consultations are conducted at the highest level, where senior staff members from the international organization are included. Differently from consultations at the local level, it was clearly indicated that the consultation is for the purposes of the progress report. What is more important, most of the issues raised at these meetings are usually reflected in the progress report.

The consultation process at Brussels level is more articulated compared to the process conducted at local level, there are formal meetings, an adequate time for preparation for the meeting, a written report/answered questionnaire is used as a basis for the discussion, a clear notification of the purpose of the meeting is issued and so on. None of this is being used in the consultation process at local level. As supposedly the consultations are a confidential process, transparency is a weak point.

In parallel with the Brussels consultative process, an assessment is conducted by the EC Delegation in Macedonia, at a local level. This is a continuous process during the whole year. The Delegation uses different approaches and tools to collect information for relevant assessment, such as:

- Contacts with relevant stakeholders
- A review of government reports (issued in June)
- Consultations with the NGO sector
- Consultations with international organizations which have offices in Macedonia

- Information gathered through EU funded projects (this way EU gets first hand information)

Reports are done by specific administrative sections within the EU Delegation. Within the delegation there are three sections that operate, one dealing with and assessing the progress regarding the political criteria (the Political and Information Section); the second section, called Operations Unit 1, dealing with economic issues and governance; and the section labeled Operations Unit 2, focusing on agriculture, cross border cooperation and so on. At the end of June a draft report is expected to be ready. It is the so-called “informed assessment” on all aspects of the report. This report is the starting point in the preparation of the final version of the progress report for Macedonia.

In spring, the consultative process at local level usually intensifies. The information gathered and the analyses made during that process are taken into consideration, for the preparation of the first draft-the informed assessment. The main characteristic of this part of the consultative process is that it is done usually on the request of the EC Delegation that is mostly informal. Unfortunately, defined criteria on the selection of the stakeholders to be consulted do not exist. Therefore, the judgment which parties are to be met is based on personal individual assessments of the EC Delegation staff. This process is very much based on the discretionary choice of the EC Delegation administration. Moreover, one of the decisive factors on how many meetings are to be held, is the available time of the EC delegation staff.

The lack of involvement of the NGO sector, in the consultative process, is noticeable. The Delegation, each year “traditionally” consults more or less the same people from a small sample of NGOs, and the representatives of the big local foundations. Amazingly for a policy evaluating document, most of the Macedonian think- tanks, with some exceptions, are not consulted. The consulted policy institutes were consulted several times during 2007, mostly through informal individual meetings, but also at public events and large meetings including other organizations. Specific additional written input have not been asked by the EC Delegation, except for the already published reports and analysis of the organizations. The think- tanks were represented at their highest level, and

the representatives of the EC Delegation were interested in their personal positions and views, as well as the official position of their organization on the Macedonian progress. The focus of the consultations was put on the progress achieved with regard to the political criteria.

Although NGOs working on the issue of EU integration have never been officially consulted, some have had informal contacts with officials of the EC delegation. However, as these meetings have been informal, over lunches and coffees, it is difficult to make a clear cut link between those meetings and the process of data collection for the EC progress report. What have been described by the EC Delegation as official, collective, consultative meetings with the NGO sector, are actually meetings discussing the documents setting the framework for EU financial aid provided for the civil society¹² in the country and are not related to the consultative process for the preparation of the progress report.

On the other hand, the international organizations present in Macedonia have a great contribution in the preparation of the progress report through different forms of consultations with the EC Delegation. The cooperation with the international organizations in preparing the progress reports is conducted on continual basis, and takes different forms such as obtaining written commentaries, reports or policy studies on the areas covered by a specific organization, exchange of research data and meetings at technical and expert level. Moreover, the international organizations working in Macedonia are officially consulted, at collective meetings, starting in spring when usually the gathering of data and the preparation process of the report intensifies. At those meetings, the offices of the international organizations are represented at the highest level, usually by the head of the local branch, its deputy and the coordinators responsible for different areas of interest for the progress report.

The input of the international organizations consulted at local level, covers wide range of issues within the political criteria. Invitations to the consultations are sent mainly via e-

¹² For 2008 a meeting with the NGO sector was held regarding IPA and the NGO share in it. However it was not related to the process of the preparation of the EC progress report.

mail, and the time for preparation of the requested information was approximately one week. However, for some interviewed representatives of the international organizations, it was only partially clear that the consultations are for the purposes of the progress report. They were aware that the consultations are for that purpose, because now it is an established practice, however, explicitly they were not informed about the purpose of the consultations.

Another important source in the preparation of the progress report for the EC delegation is the information provided by the Macedonian political parties. The EC delegation has regular meetings with representatives of the political parties, during the whole year. However, the approach of the commission is not consistent, as not same format of consultations is used for all parties. The consultations are usually conducted with the high ranking party members, such as presidents, vice presidents or members of the executive body of the party. Yet some representatives of the political parties were consulted in the format of individual formal face to face meetings, where prior notification is made by phone or via electronic mail. On the other hand, others said that the consultations were informal, held at regular meetings (which especially intensified around the end time of the preparation of the progress report). Another noticeable inconsistency in the approach is that some political parties were explicitly informed that the consultations were for the purposes of the progress report, whereas others, although aware of the aim of the meetings, were not explicitly informed about the purpose of the consultations. Furthermore, a lack of standardisation of the time period between the invitation and the meeting can be noticed. It gravely varies from case to case, which can be problematic from the aspect of preparation of relevant information by the respondents.

Beside consultations conducted by the representatives of the EC Delegation, the political parties are consulted directly by the representatives of the European Commission from Brussels (the DG for Enlargement). The period between the invitation and the meeting is typically between 2 to 3 weeks for the consultations with the representatives of the EC from Brussels, while it is shorter when the meeting is planned by the EC Delegation in Skopje. The focus of the consultations is put mostly on the part of the progress achieved regarding the political criteria, but also attention is paid to the other two criteria.

Furthermore, in the preparation of the progress report the EC Delegation gathers first hand information through the EU funded projects in the country,. Government community projects exist in the following areas¹³:

Area	Project
Reform of the police and judiciary (police)	Development of police evidence management and forensic analysis capacity
	Secure communication of the police
Reform of the police and judiciary (judiciary)	Assisting the Public Prosecutor's office in the fight against organized crime and corruption
	Further development of the administrative and processing capacity of the Judiciary System
Reform of the Public Administration	EU support of local government

Additional important source in this context, are the EU twinning programmes, which also provide information on the progress in the areas where twinning is provided. Furthermore, in the area of the judicial reform, data and information is provided through the Academia of Judges which was established through a EU funded project.

4. Overview of the consultation process according to the three sets of Copenhagen criteria

Due to the different tools of data collection and the numerous stakeholdres consulted it is not possible to straightforwardly evaluate the validity of specific assessments made in the

¹³ European Commission Enlargement, Selected projects in Macedonia, http://ec.europa.eu/enlargement/projects-in-focus/selected-projects/the-former-yugoslav-republic-of-macedonia_en.htm

2007 EC progress report on Macedonia. Furthermore not all inputs received, are considered in the final draft of the progress report.

This chapter will focus on the parties consulted for specific issues of the report. Due to methodological limitation, because of the abovementioned reasons, it is impossible to assess the consultation's impact on the final conclusions regarding the Macedonian progress in the specific areas.

a) Political criteria-specific questions for 2007 EC progress report

Several specific issues covered by the political criteria are of interest of this analysis. Discussing the parties consulted, our focus will be on the basis on which EC assessments have been drawn, However, it must be stressed, that not necessarily all inputs are taken into consideration. EC is trying to promote a cross cutting approach in the consultations, which aims, by consulting more parties, to catalyze and to confirm the most objective overview of a particular area.

1. In 2007 EC progress report on Macedonia, the assessment of the progress in the **implementation of the Ohrid Framework Agreement (OFA)** is seen as crucial for the contribution of democracy and the rule of law. It was noted that the “government’s work focused... [inter alia] on the implementation of the Ohrid Framework Agreement”. Furthermore, the conversion of the Sector for Implementation of the OFA into a new Secretariat was welcomed. In this regard, emphasis was put on the OFA, as a fundamental guarantee to the rights of the ethnic minorities in the country, and progress has been recognized in the area of achieving equitable representation in the public institutions of members of all ethnicities, the local self government and the use of languages. Although the overall assessment of the inter-ethnic relations was positive, the

importance given to the consistency, the consensual approach and the readiness to compromise regarding the implementation of the OFA, have been stressed.

The progress regarding the implementation of the OFA is done on specific benchmarks, set on the basis of the Agreement. In this regard the main criteria were: the decentralization process and the transition from phase I to phase II, as well as the successful implementation of phase I. Another criterion, on which exact and quantifiable data was provided, is the proportional representation of the ethnic communities. Furthermore, impact on the positive assessment of the progress regarding the OFA, had the adoption of the police reform and the preparation of its implementation. The government reports were the main source for the assessment of this area.

2. Progress in the **judicial reform** has been noted regarding the establishment of the new court structure (in 2007 five specialized court departments have been established). Furthermore, efforts were made in making the Academy for Training Judges and Prosecutors, functional. As argument in favor of evaluating an improvement of the judiciary system, statistics showing better efficiency of the system was given . On the other hand, some deficiencies have been noted regarding the Judicial Council, the lack of independence and low efficiency, the completing of the legislative framework on the Public Prosecutor's Office and the Council of Public Prosecutors. The reports points out to another issue of relevance for achieving an efficient and independent functioning of the judicial system, its low budget. The conclusion in this part was that "the judicial reform remains a major challenge and a sustained track record of implementation has yet to be established."

Beside the government reports, as sources of information, in this part the EC has consulted the following non-state actors: the local OSI office, the local branch of the Helsinki Committee and the Juridical Association of Macedonia .

3. The **regional cooperation** and good neighborly relations are recognized as important section in the political criteria of the report. In this regard, the progress Macedonia made in 2007 was positively assessed, while its active role in different regional initiatives was welcomed by the EC.

The information in this part was directly provided by the EC contacts made with relevant officials from SEECP, Regional Cooperation Council and CEFTA.

4. The disruption of the normal **functioning of the parliament** due to the dispute between the government and the opposition was noted in the 2007 progress report. There was a dispute over the application of the use of the minority veto and the composition of the Committee on Relations among Ethnic Groups/Communities. The main Macedonian Albanian opposition party boycotted the work of the parliament for four months and the progress report judged that this hindered the pace of the reforms to be made. The EC conclusion in this part was that “Overall, some efforts were made to speed up the legislative process. However, the functioning of the parliament was seriously disrupted by insufficient consultation between government and opposition,..., which slowed down legislative activity.”

The evaluation of the situation in the legislative process and the political dialog was based on direct assessment of the EC Delegation, as well as consultations with the Macedonian election monitoring NGO called MOST, the local branch of the National Democratic Institute and the political parties.

5. Progress regarding the **fight against corruption** was recognized, mainly as a result of the adoption of anti- corruption policy measures. This has lead to strengthening the legal

and institutional framework. On the other hand, the report stressed that the corruption is widespread and constitutes a serious problem for the Macedonian society. In this regard, room for improvement exists with regard to the government approach, its Action Plan and budget allocation. The EC conclusion was that “Overall, implementation of the framework for fighting corruption has yielded some results...However, legal reforms are still in early stages of implementation... Corruption is widespread and constitutes a very serious problem...sustained political commitment is required”.

The two NGO's dealing with corruption (Transparentnost Nulta korupcija and Transparentnost Makedonija), have provided information regarding this part of the report. Furthermore, consultations with the business community were conducted through informal contacts with EU businessmen. In addition to this, information was gathered from conferences on this issue and contacts with Macedonian scholars.

6. The main **areas** in which **further progress is expected** and will be welcomed, are the police, judiciary, consolidation of the rule of law, as well as the protection and promotion of the rights of the non- majority communities.

The information was provided and conclusions were made on the basis of focus groups where community leaders and government representatives participated.

b) Economic criteria for the 2007 progress report

Regarding the second set of Copenhagen criteria (the economic criteria), the main information, was not obtained at local, but at Brussels level. More precisely, the assessment of the economic capacity of the country was done on the basis of the

methodology developed by DG for Economic and Financial Affairs (ECOFIN). For the economic analysis of the candidate countries, among which is Macedonia, ECOFIN is responsible. From the following activities¹⁴ of the DG, it can be observed and concluded that there was a great involvement and observation regarding the economic capacity of the country:

¹⁴ European Commission Economic and Financial Affairs, International Economic issues, Accessing and candidate countries,
http://ec.europa.eu/economy_finance/int_economic_issues/non_eu_economies209_en.htm

- Contributing to the Commission's annual Progress Report (normally published in autumn). Progress reports assess the relevant countries' progress in complying with the Copenhagen accession criteria. The economic section of Progress Reports is drafted by DG ECFIN;
- Contributing to Accession Partnerships, which are Council Decisions, and entail a section on economic priorities;
- Assessing (annually) the candidate countries' medium-term Pre-accession Economic Programmes (PEPs);
- Assessing (annually) the candidate countries' fiscal notification;
- Annual, or in particular cases, biannual bilateral economic dialogue with each candidate country;
- Commission Spring and Autumn Forecasts for each of the candidate countries;
- Assisting the Commission in the "screening process" by preparing accession negotiations, and in accession negotiations. DG ECFIN is responsible for the content of negotiations on the provisions on Economic and Monetary Policy (negotiation chapter 17);
- Analytical notes, regular and occasional publications;
- Regular consultations and bilateral exchanges with international financial institutions active in the relevant countries, in particular the IMF, the World Bank and the EBRD; and
- Regular staff missions to candidate countries (fact-finding, discussions with the authorities)

Furthermore, under the SAA the economic dialogue is held annually. Another important information of the economic performance of the country, EU gets on the basis of the following¹⁵:

¹⁵ European Commission Economic and Financial Affairs, International Economic issues, Macedonia, http://ec.europa.eu/economy_finance/int_economic_issues/country_page8869_en.htm

- The pre accession fiscal surveillance procedure

Macedonia annually provides data on its public finances and in addition to that submits pre accession economic programme. This programme has to be assessed by the Commission staff. This provides valuable information of the country capacity regarding the second Copenhagen criteria and is taken into consideration when the country progress report is prepared.

The consultative meetings conducted at Brussels level with the international organizations relevant for the economic issues, must not be underestimated, since they are great alternative source of information. However, as mentioned before the consultative process is closed and confidential. The assessment of the second Copenhagen criteria is mostly conducted at Brussels level, and the EC Delegation in Skopje is not very involved in consulting the local stakeholders on the relevant economic issues. Having in mind this, it can be easily concluded that the process of the assessment of the second Copenhagen criteria is even more closed and in-transparent.

c) Macedonian ability to take on the obligations of the membership

The third Copenhagen criterion refers to the assessment of the Macedonian ability to assume the obligations of the membership. In this regard, Macedonia has to show its efforts and concrete steps undertaken in the approximation and harmonization of its legislation with the acqie. The EU instrument that sets the direction in which the country has to progress, is the European Partnership (EP). Therefore, a brief overview of the modes for assessment of the achievements regarding the short term priorities of the EP will be presented here. In addition, the basis of the conclusion on replacement of qualified staff, noted in the 2007 progress report, will be briefly examined, since the qualified public servants are the engine of this process.

i. Assessment of the progress regarding the short term priorities set by EP and shortcomings in the implementation and effective enforcement of the legislation

Regarding the Macedonian progress in the fulfillment of the short term priorities, the EC is lead by the European Partnership, according which benchmarks can easily follow the progress that Macedonia has made. The information on the shortcomings of its implementation is obtained on the basis of the government information and the government community projects which provide relevant information. Especially important information is gathered on the basis of the projects financed by EU, since they are directly related to the reforms set in the European partnership. Therefore, the EC has first hand information on the Macedonian progress regarding the set priorities.

ii. Sources on which relies, the EC conclusion of the large scale replacement of qualified staff following political changes

The main sources on which this conclusion was based are: the claims of the opposition party officials who have alerted the EC, the EC delegation's field visits, as well as a review of specific pending court cases. Furthermore, that information was confirmed in the consultation of the same interlocutors, that EC usually contacts and by the EU project through which the EC gathers direct, inside view of the situation in the state institutions.

5. Conclusion

The EC established procedure on data collection for the purposes of the progress reports is taking place during the whole year. This is quite a comprehensive operation that covers a wide range of sources using a cross cutting approach in order to confirm the collected

information. To some extent it is a confidential process, but what is more important it lacks clear criteria and basis on the selection of the stakeholders that are consulted. This is reflected in the low participation of the civil society, including the policy institutes, in the process.

There are several crucial issues that have to be considered for improving the consultative process for the progress reports:

1. The minimum standards and general principles set in the Commission Communication (Brussels, 11.12.2002, COM (2002) 704) need to be effectively applied in the consultation process for the progress report. This will contribute to having a more transparent, open and inclusive process, which will have positive reflection on the quality, relevancy and credibility of the process it self, as well as on the progress reports.
2. Setting, on annual basis, clear criteria for selection of stakeholders that will be consulted for the purposes of the progress report. This will provide more transparency, as well as objectivity in the consultation process. It will undermine any subjectivity in the consultations, which has been noted up to now.
3. Better inclusion of the NGO sector (especially the think tanks) in the consultative process is needed. The NGO sector, could provide relevant alternative sources of information and analyses for the progress report.

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7. ANNEXES

ANNEX 1

Methodology- Conducted interviews

Type of institution	Interviews
EC Delegation in Skopje	In-depth interview with the deputy head of the Political and Information Section was conducted
NGO sector (including think tanks)	Nine NGO organizations were surveyed whether they were consulted by the EC With the two think tanks included in the consultations by EC, more in depth interviews were conducted.
Foundations	The main Macedonian foundation was surveyed whether it was consulted by the EC

International organizations	Five international organizations were surveyed whether were consulted by the EC With the three international organizations included in the consultations by EC, more in depth interviews were conducted
Political Parties	With three political parties ¹⁶ included in the consultations by EC, more in depth interviews were conducted

ANNEX 2

Questionnaire on the consultative process conducted for the purpose of the 2007 EC progress report for Macedonia

1. Have you been consulted by the EC during 2007 on specific aspects of the 2007 progress report for Macedonia?

2. On which positions in your institution are the representatives, who took part in the consultations by the EC?

¹⁶ Interviews were held with three of the four most relevant political parties on the Macedonian political scene, including political representatives of the Macedonian Albanians .

3. In which period of 2007, the consultations were done and how many times?
(Approximately, not an exact date is required)

4. What was the type/format of the consultation and where did it took place?
(Written consultation/correspondence, face to face, formal, informal, individual consultation, closed meeting, collective meeting where more institutions were invited, informal meeting with representatives of other institutions etc.)?

5. Was the consultation meeting documented by the EC representatives? (E.g. minutes)

6. How were you invited at the consultation meeting? (By phone, e- mail, via regular mail etc.)
 - How long was the period between the invitation and the meeting, or the invitation and your reply in written? (Approximately)

7. Was it clearly indicated to you that the consultation is for the purpose of the 2007 EC progress report?

8. Seen from the prism of the structure of the EC report, for which part were you consulted (the political criteria, the economic criteria, the Macedonian capacity to assume the obligations of the membership, if it is possible indicate more precisely the questions and the specific issues on which you were consulted)

9. What was the main interest of the EC representatives, your personal view, or the position of the institution where you work?

10. Were you asked to provide the EC with documents (analysis, reports etc.) by your institution?

If the answer is YES= Do you know to which extend the reports and analysis you have provided, were used for the purposes of the 2007 EC progress report?