

■ ■ ■ ANALYSIS of
APPOINTED
AND ELECTED
PERSONS

- MONITORING REPORT:
What is the size and type of
the public sector in
the Republic of Macedonia?
(no. 2)

PROJECT - MONITORING ADMINISTRATIVE JUSTICE

ANALYSIS OF APPOINTED AND ELECTED PERSONS

**- MONITORING REPORT:
Scale and type of public sector in
the Republic of Macedonia
(No. 2)**

Center for Change Management (CCM)

March, 2018

Title of the publication:

Analysis of appointed and elected persons – Monitoring report

Publisher: Center for Change Management

For the publisher: Neda Maleska-Sachmaroska, Center for Change Management

Authors: Dragan Gocevski, Neda Maleska – Sachmaroska

Editor: Gordana Stefanovska-Veljanovska

Colaborator: Vesna Gligorova

Proofreading: AD Verbum

Design and Print: Brigada Design

Circulation: 200 copies (Free-of-charge/non-commercial circulation)

CIP – Каталогизација во публикација
Национална и универзитетска библиотека „Св. Климент Охридски“, Скопје

35.02-051(497.7)(047.31)

GOCEVSKI, Dragan

Analysis of appointed and elected persons : monitoring report / [authors Dragan Gocevski, Neda Maleska-Sachmaroska]. – Skopje : Center for change management, 2018. – 54 стр. : илустр. ; 24 см

Публикацијата е во рамките на проектот: „The monitoring of administration justice“. – Фусноти кон текстот. – Библиографија: стр. 41-44. – Содржи и: Annexes

ISBN 978-608-4818-36-6

1. Maleska-Sachmaroska, Neda [автор]

а) Јавна администрација – Носители на функции – Македонија – Извештаи COBISS.MK-ID 107282186



This product is prepared within the Monitoring of Administration Justice Project funded by the UK Government with the support of the British Embassy Skopje. The content of this publication does not necessarily reflect the position or the opinions of the UK Government.

Contents

Introduction	4
Methodology	5
Structure and Management in the Public Sector in Republic of Macedonia ...	6
Other State Institutions	7
Special State Authority (Intelligence Agency).....	8
Expert Services of the Government	8
State Administration Bodies.....	8
Regulatory Bodies.....	10
Independent State Bodies	10
Legal Entities with Public Authorizations	11
Judiciary	12
Local Self-Government Units	12
Secretaries.....	12
Public Institutions	13
Public enterprises.....	19
State-Owned Joint Stock Companies.....	20
Administration and management in the public sector	21
Management and Supervisory Boards	21
Structure and costs of management and Supervisory Boards	25
Ratio of selected and appointed persons and employees in the public sector	30
Final Considerations and Recommendations	32
Sources:	34
Annexes:	37
Annex 1: Overview of appointed and elected persons and number of public sector employees	38
Annex 2: Structure related to delegation of authority by the President of the Republic of Macedonia	40
Annex 3: Delegation of authority at the level of local self-government.....	41
Annex 4: Delegation of authority of legislative to executive government.....	42
Annex 5: Overview of appointed and elected persons and number of public sector employees in institutions with fewer than 10 employees.....	43

Introduction

The subject of research and analysis in this Report are the appointed and elected persons in Republic of Macedonia, as well as the institutions in which they are selected. This report, in the identified 1334 institutions, according to the status and type of institution, shows the type and manner of selection of all positions filled by election/selection or appointment i.e. assignment, from the president of the state to the members of the school boards in the primary schools. The different institutional forms in which the management bodies in Republic of Macedonia are filled via elections or appointment will be shown in addition.

In January 2017 we raised the question of the characteristics in the public sector in Republic of Macedonia with special attention to the employees in the public administration. We tried to offer a concise, comprehensive definition for public administration and its role. We noted that due to the direct role in the application of laws, often referring to the administration, it interferes with state authority and local authority. Although these institutions are part of the executive authority (above all), they are not and must not be political institutions. The Assembly, the Government and the Courts as well as the municipalities are authority holders. The Members of Parliament, the members of Government, the mayors and councillors in the municipalities are politicians by definition. Public administration does not adopt laws. It participates in their preparation, conducts expert analyses of various situations in the society, monitors the situation and provides initiatives for adoption of public policies and new legal solutions, and here it appears only as a professional service of state and local authorities.¹

In the broadest sense, public administration in theory is considered to be the state administration (ministries, bodies within ministries such as inspectorates, offices and bureaus, independent state organs such as numerous agencies and directorates), the government's expert services, the Assembly and courts, administrative organizations (such as the State Statistical Office, the State Archives), local self-government, institutions and public enterprises. More recently, private sector organizations are also considered as public administration that, with the permission of the state, provide public services: trade companies with public authorizations

¹ Maleska Sachmaroska N., Gocevski D., (2017) *Scale and Type of Public Sector in Republic of Macedonia*, CCM, page 6;

such as Makedonski Telekom, One.VIP, EVN, private healthcare clinics, private universities, etc., as well as associations such as Association of Drivers, Auto Moto Union of Macedonia, etc.

Subject of monitoring in the report 'Scale and Type of Public Sector in Republic of Macedonia' (which was also prepared within the same project), were public sector employees i.e. the persons who entered in labour relations with the aforementioned institutions. Subject of monitoring in this report will be the persons who manage public institutions, public officials and other appointed and elected persons. We will offer an answer to the question of why we have political representatives at the head of expert organizations such as administrative bodies, how the management and supervision of public services are performed, we will offer an answer to the question of how many persons are appointed and selected in the public sector in Republic of Macedonia and what types of job positions are filled in this manner, we will see the structure of the management and supervisory boards on the basis of a sample of 248 institutions that have such bodies and we will give an overview of the costs the state has made for this purpose.

Finally, we will point out a few interesting features that are characteristic of the public sector in Republic of Macedonia, which relate exactly to the appointed and selected persons.

The subject of this report will be companies, and joint stock companies whose founder, sole owner is the state i.e. the Government of Republic of Macedonia, as well as the joint stock companies in which the Government of Republic of Macedonia has stocks.

Methodology

Data collection was mainly performed by desk research and data comparison from different sources. In addition, 506 institutions with appointed management and supervisory boards were identified. From those 506 institutions, contacts were found for 474 institutions, and requests for information of public character were sent to all 474 of them. Different data were required such as number of members in the management and supervisory boards, data on gender, ethnicity, level of education, way of payment, as well as the amount that they receive for their engagement. Only 248 answers were back up to the deadline that is obliged by law to provide these information, which shows low level of responsiveness of the institutions to the legal requirement to provide to the public different data that the institution possess. Yet the sample of 248 fulfilled requests still allow us to conduct an appropriate analysis.

The number of employees in the public sector was taken from the Report of the Register of Public Sector Employees for 2016. In terms of identified obstacles we came across during the research, we note that the Register contains information for lower number of institutions covered by this research. Hence, for several institutions that were identified during the research we do not have a number of employees.

The number and type of appointed or selected job positions for the institutions are derived from several sources:

- 1) Review of Material Regulations, Laws
- 2) Review of official webpages of the institutions
- 3) Review of bylaws - Statutes
- 4) Telephone questionnaire to the institutions.
- 5) Request for open access to information of public character

In order to obtain data on the number of selected and appointed persons, we firstly contacted the accessible Register of elected and appointed persons of the State Commission for Prevention of Corruption, which contains information for 3194 persons, but is incomplete and has not been updated.² The reasons for this are addressed in previous studies. SCPC compiles the register of two sources: 1) the institutions that appoint and select persons are obliged to submit lists to SCPC, but

² Register of appointed/selected persons, State Commission for Prevention of Corruption. Accessed 23.03.2018 <https://register.dksk.org.mk/Account/Login?ReturnUrl=%2f> ;

they do not perform that regularly and it is not performed by all of them (Assembly of Republic of Macedonia, the Government of Republic of Macedonia, the Councils of municipalities, management bodies and the councils of the institutions), 2) the selected i.t. appointed persons themselves are obliged to deliver assets declaration to SCPC.

Upon submitted requests for access to information of public character whereas we asked for information about number and type of elected and appointed persons. Those requests were sent to: the Government of Republic of Macedonia, the Assembly of Republic of Macedonia, the State Commission for Prevention of Corruption, the Public Revenue Office, the State Audit Office and the Ministry of Finance, but they all provided us with negative response. Part of the appointed institution responded that they do not possess these type of data, and part of them did not respond at all. So the data was additionally collected by the authors, through whole new series of requests that were sent to 474 institutions, from which 248 were collected back and were appropriately analyzed for the purpose of this report.

Structure and Management in the Public Sector in Republic of Macedonia

Pursuant to the Constitution, Republic of Macedonia is a sovereign and independent, civil and democratic state. Sovereignty arises from and belongs to the citizens, and the citizens exercise the authority through democratically elected representatives, through a referendum and other forms of direct expression.³

The representative system is an indirect form for the exercise of civil sovereignty in Republic of Macedonia, since the citizens exercise their sovereign rights through their representatives in the representative bodies such as the Parliament of Republic of Macedonia and the councils of the units of the local self-government.⁴

The Assembly elects judges of the Constitutional Court of Republic of Macedonia, elects and dismisses judges, conducts elections, appoints and dismisses other public and other officials determined by the Constitution and by law.⁵

The President of the Republic determines the mandate for the composition of the Government of Republic of Macedonia, appoints and revokes the ambassadors and lawmakers of the Republic of Macedonia abroad by a decree, proposes two judges of the Constitutional Court of Republic of Macedonia, proposes two members of the Republic Judicial Council, appoints three members of the Security Council, proposes the members of the Council on International Relations, appoints and dismisses other state and public officials determined by the Constitution and by law.⁶

The Government as the holder of the executive authority is a body of Republic of Macedonia that performs its activities independently within the framework of

³ Preamble, Art. 2, Constitution of Republic of Macedonia, 1991;

⁴ Shkarikj S., (2015) Constitutional Law, Culture, Skopje, page 395

⁵ Art. 68, paragraph 1 line 14, 15, 16 Constitution of Republic of Macedonia;

⁶ Art. 84, par.1, line 1, 2, 4, 5, 6, 7, 8. Ibid;

the Constitution, laws and ratified international treaties, and on the basis of the principles of transparency, efficiency and protection of human freedoms and rights. The Government is selected and dismissed by the Assembly of Republic of Macedonia.⁷ The Government proposes appointment of ambassadors and Members of Parliament of Republic of Macedonia abroad and appoints heads of consular offices, proposes a Public Prosecutor, appoints and dismisses public and other officials determined by the Constitution and by law.⁸

The work of a ministry is managed by a minister appointed and dismissed by the Assembly of Republic of Macedonia, while the work of an independent body of the state administration, the administrative organization and a body within is under the direction of a director appointed and dismissed by the Government.⁹

The Government and the local self-government units establish public services, in the form of public institutions and public enterprises, and select the members of management bodies (management and supervision boards by rule) of these organizations, select the directors etc. Different institutional forms in which the management bodies in Republic of Macedonia are filled via elections or appointment will be shown in addition.

Because of their importance, the Ombudsman, the National Bank, the Constitutional Court and the Judicial Council are institutions the founding and existence of which is established by the Constitution. Public officials in these institutions are selected and dismissed by the Assembly of Republic of Macedonia with mandate different from the one of the Members of Parliament, while for all of them strict and high criteria for selection and dismissal are foreseen, so that it can be said that although they are public functions, the same are professionalized.

⁷ Art. 2. Law on the Government of Republic of Macedonia;

⁸ Art.91, par. 1. Line 11, 12, 13, Constitution of Republic of Macedonia, 1991;

⁹ Art.47, 48. Law on Organization and Operation of the State Administration Bodies (Official Gazette of Republic of Macedonia No. 58/2000, 44/2002, 82/2008, 167/2010, 51/2011);

Other State Institutions

Considering that the President of Republic of Macedonia and the Government as holders of the executive power in Republic of Macedonia have already been mentioned, within this chapter we will give an overview of the other institutions whose governing bodies are appointed or selected by the President and the Government.

Special State Authority (Intelligence Agency)

Only the Intelligence Agency has a status of a special state body, which is managed by a director appointed and dismissed by the President of Republic of Macedonia.¹⁰

Expert Services of the Government

The General Secretariat is the basic administrative service of the Government headed by the Secretary-General who is the sole secretary who is directly and as purely political official selected and dismissed by the government. The Secretary-General of the Government manages the General Secretariat of the Government. Other secretariats of the Government are the following: Secretariat for Implementation of the Ohrid Framework Agreement, Secretariat for European Affairs and the Legislation Secretariat. The head of the secretariat is the deputy president of the government, who is also a minister, and a state secretary is also selected as head of the secretariat's administrative service.

The General and Common Affairs Office of the Government is a special service which is managed by a director selected by the Government.

State Administration Bodies

The central bodies of the state administration such as ministries, other state administration bodies and administrative organizations are established as classic bodies of the state administration in Republic of Macedonia. The ministries are established to perform the operations of the state administration grouped by areas for one or more related administrative portfolios. The other state administration bodies, according to the type of organization and the degree of independence,

¹⁰ Pursuant to the Law on Intelligence Agency (Official Gazette of Republic of Macedonia No. 19/95) Art. 3;

can be established as independent bodies of the state administration i.e. directorates, archives, agencies and commissions or as bodies within the ministries i.e. administrations, offices, bureaus, inspectorates and captains port office. State administration bodies are established in areas and fields important for performing the state operations and effective exercise of the rights and duties of the citizens and the legal entities in Republic of Macedonia.¹¹

The work of the ministry is managed by a minister, while the work of the independent body of the state administration, the administrative organization and comprising bodies is managed by a director who is appointed and dismissed from duty by the Government.¹² The directors can have deputies but, depending on the type of organization and the separate law by which the same was established, it is not mandatory.

The Assembly of the Republic of Macedonia elects the President of the Government, appoints and dismisses ministries and their deputies at a proposal of the President of the Government.

Administration organs are the first and basic institutional mechanism through which the executive authority realizes the public policies in one state and they are most responsible for providing numerous public services, supervision of their performance, enforcing the principle of legality, taking care of the rights and freedoms of citizens, and the economy in the state.

In the Government, the secretariats and Service for General and Common Affairs have appointed or selected a total of 23 persons. **At the head of the fifteen ministries, 15 ministers, 15 deputy ministers and 15 state secretaries are selected. Forty five persons are appointed as council members in the Council for Vocational Education and Training, Council for Adult Education and the National Commission for Textbooks.**

Regarding the **45 bodies within the ministries**, the trend in the past 10 years moves towards the independence of these organizations and almost all of them are separate legal entities. They all have a one-tiered management structure with an independent official, a director. The organs in their composition are established with specialized positions, and they act in an area that falls directly under the competence of an already established ministry, and depending on the specific organization, the director may be appointed by a competent minister and to be accountable

¹¹ Art. 1,2,3,4,5. Law on Organization and Operation of the State Administration Bodies (Official Gazette of Republic of Macedonia No. 58/2000, 44/2002, 82/2008, 167/2010, 51/2011);

¹² If so provided by a separate law, the director may be selected or appointed by the Assembly or the President of the State or a Minister;

to them, the director may be appointed by the Government of Republic of Macedonia and to be accountable to the Government. **At the head of the comprising bodies there are a total of 49 persons appointed and selected, out of which 44 are directors, 4 are deputies and 1 is captain of the Captains Port Office.**

The independent bodies of the state administration are organizations with a legal personality, with a higher degree of autonomy than the comprising bodies. Their relations with the ministries are horizontal, and they account for their work before the founder, which, as a rule, is the Government of Republic of Macedonia. Almost all of them have a two-tiered management structure, with a collegial body of a management board whose members are selected and dismissed by the Government of Republic of Macedonia, and a director appointed by the Board of Directors via public announcement. The presence of a public announcement indicates the existence of “some” selection criteria on the basis of which the best candidate is selected. Most of them also have deputy directors. A total of 32 institutions, independent state administration bodies appear as centers, directorates, agencies, Commissions, Institutes, state attorney’s office, State Archives of the Republic of Macedonia, State Industrial Property Office, State Statistical Office and Audit Authority for Revision of the Instrument for Pre-Accession Help Skopje.¹³ **At the head of the independent state administration bodies, a total of 184 persons are selected, of which 34 are state attorneys, 27 are members of commissions, councils and state auditor with their deputy, 30 are directors and 14 are deputies, 72 are members of the management board and 6 are members of the supervisory board.**

Regulatory Bodies

In comparison, the regulators appear in different organizational forms, and what they all have in common is that they are independent and autonomous bodies whose management bodies are selected and dismissed by the Assembly of Republic of Macedonia, some on the proposal of a parliamentary commission and some on the proposal of the Government.

Regulatory bodies are established with a high degree of financial and legal autonomy in their operation, in order to perform regulatory functions as well as supervision of public services, and energy resources that are deemed to be able to function in a free market environment, to be provided by one or more economic operators for which there should be less influence on the part of the executive

¹³ At the moment of writing this report, most of the director positions were filled with acting directors, with a gradual trend of filling in with regular directors selected through a public announcement. From January to March 2018, 51 directors were selected.

authority. The members of the bodies for governing and managing regulatory bodies, as a rule, should meet higher criteria. Although they were known in the United States and Western Europe as early as 1980, this form of institutions has reached their true expansion after 2000. In this period in Western Europe, from less than 10% of the public sector activities regulators were formed in more than 80% of the industries.¹⁴

In the Republic of Macedonia, 10 regulatory bodies have been established:

Agency for Audio and Audiovisual Services, Agency for Electronic Communications, Postal Agency, Agency for Regulation of the Railway Sector, Agency for Supervision of Fully Funded Pension Insurance, Insurance Supervision Agency, Civil Aviation Agency, Securities Commission of Republic of Macedonia, the Regulatory Commission for Housing and the Energy Regulatory Commission of Republic of Macedonia.

They have a one-tiered management structure, i.e. Commissions with a president and members, but also a two-tiered structure where the Management Board or Council selects the Director. The Director is an independent management body while the councils and commissions are collegiate bodies and adopt the general acts of the institution and decide on the general guidelines and policies for the institution itself.

A total of 55 appointed and selected persons are at the head of the regulatory bodies in the Republic of Macedonia, of which 5 are chairmen of commissions and councils, 5 are directors, 6 are members of management boards, 15 are members of councils and 24 are members of committees.

Independent State Bodies

According to the nature of the work, the independent state bodies perform administrative operations, that is, works of administrative nature, as a consequence of the policies towards depoliticization of the state administration, and these bodies are accountable to the Parliament and not to the Government. Hence they are not deemed a state administration bodies.¹⁵

In the Republic of Macedonia, there are 10 independent state bodies established, which, except for the Central Registry, all have a one-tiered management structure. Management bodies are directors as independent bodies,

¹⁴ For regulators in Western Europe, see: Gilardi F., (2008) Delegation in the Regulatory State Independent Regulatory Agencies in Western Europe, Edward Elgar;

¹⁵ Other possible reason is the inability to intervene in the Law on Organization and Work of the State Administration Bodies, for which a majority of two-thirds is required.

as well as collegiate bodies - Commissions with a chairman. Only the Central Registry has a Board of Directors, and a Director. The independent state bodies have a total of **89 appointed and selected persons, of whom 2 are chairmen of commissions, 1 is vice chairman of the commission, 3 are directors, 2 are deputy directors, 11 are general secretaries, 5 are members of the management boards and 63 are commission members and 2 are auditors.**

Legal Entities with Public Authorizations

Their total is 8, since the Public Procurement Council has been abolished. The question is how appropriate is the name of this group of institutions.¹⁶ We assume that because of the need and at the same time because of the inability to classify themselves as state bodies or as state administration bodies, these "outlier" institutions do not have another common denominator, except that they are neither state authorities nor administrative bodies. The name is inadequate, since all legal entities in Republic of Macedonia registered in a central register, performing any public activity, on the basis of a Law, as being all public institutions or for those entrusted with the authorization to perform public activity such as private companies, can be, and in essence they are, legal entities with public authorizations.

This group of important public institutions covers the Public Funds in Republic of Macedonia, the councils, one institute and the national agency for nuclear technologies of Republic of Macedonia. All are established by a separate law and have a different management structure.

The Geological Institute and the Inspection Council have a one-tiered management structure. The institution has an independent director, while the Council has collegial structure, that is, a president and members of the Council. The other institutions have a two-tiered structure, with a management board selected and dismissed by the government, with different composition and usually representatives of different stakeholders and a director selected by the board.

In this group of public institutions, **a total of 58 persons are selected and appointed, out of which 7 directors, 1 deputy director, 1 secretary, 31 board members and 18 council members.**

¹⁶ The title name is taken from the Report from the Register of Public Sector Employees for 2016;

Judiciary

The judiciary currently has 636 judge positions, according to systematization. The opinion of the persons engaged in the profession is that the envisaged number of judges in systematization is unjustified and should be reduced. This classification is considered outdated, and is reduced compared to previous years when more than 700 positions were systematized. 535 places have been filled, 22 of them are on hold, because they are for members of the court councils (or other public functions), and 513 judges are active, 484 of whom are judges and 29 presidents of courts.¹⁷

In 2015, in accordance with the Decision on determining the number of public prosecutors of the public prosecutor's offices and public prosecutors in the public prosecutor's offices, adopted by the Council of Public Prosecutors, the envisaged number of public prosecutors was 251. A total of 197 were filled, and 40 vacant public prosecutors' positions are to be filled.¹⁸ The attitude of the public prosecutor's office is that there is a need for hiring new prosecutors.

Local Self-Government Units

Currently, in 81 local self-government units, a total of 1509 persons are selected and appointed, out of which with direct elections are elected the following: 81 mayors, 1347 councillors, and the mayors appoint 81 municipal secretaries from the order of administrative officials employed in the municipality.

Secretaries

With exception of the Secretary General of the Government, the secretaries are administrative officers, which means career personnel responsible for human resource management at the level of one institution. The secretary manages the administrative officers, provides guidance to the managerial and other officials and employees of the institution, especially in the context of human resource management, and determines the rights, obligations and responsibilities of administrative officers. The secretaries are appointed as secretaries of state, general secretaries and municipality secretaries, that is, secretary of the city of Skopje.

In the Ministries, in the Secretariat for European Affairs and in the Secretariat for the implementation of the Framework Agreement, a state secretary is appointed.

¹⁷ Interview: Vlatko Samardziski, court council member, March 17th, 2018;

¹⁸ Report on the work of the public prosecutor's offices in Republic of Macedonia in 2015, Skopje, June 2016, Public Prosecutor's Office of Republic of Macedonia, page 47;

A Secretary General is appointed in the Constitutional Court of the Republic of Macedonia, the Judicial Council of the Republic of Macedonia, the Council of Public Prosecutors of the Republic of Macedonia, the Ombudsman, the State Attorney's Office of the Republic of Macedonia, the Inspection Council, the State Audit Office, the State Election Commission, the State Commission for Prevention of Corruption, the Commission for Verification of Facts, the Commission for Protection of Competition, the Commission for Protection of the Right to Free Access to Information of Public Character, the State Commission for Decisions in Administrative Procedures and Procedures for Employment in Second Instance, the Employment Agency, State Commission for Appeals and the State Commission for Decisions in Second Instance in the Area of Inspection Supervision and Misdemeanour Procedures, and the Directorate for Personal Data Protection.¹⁹

Public Institutions

An institution is a form of organization the purpose of which is performing a public service as an activity that has not covered by a trade activity determined by law (non-economic activity) and which can be determined by law as an activity of public interest.²⁰

This suggests that an institution cannot be an organization that performs a classical commercial activity and obtains a profit, that is, in fact an institution which is motivated by the classical market logic of work for gaining profit. Regardless if the performer of public activity is a public institution (organization), or a private legal entity, the activity is solely public and is subject to stricter control and supervision of the quality of work than other types of activities. The institutions may be public-private or joint ownership institutions (mixed). The public institutions may be established by the Assembly, the Government or by a unit of the local self-government, a private institution may be established by a local or foreign legal entity or natural person with private assets, and a joint ownership institution may be established by any of the abovementioned founders together.

Activities in which institutions are established in the Republic of Macedonia are the following: education, science, culture, health, social protection, child protection, protection of persons with intellectual or physical disability, protection of the environment (national parks), as well as other activities determined by a separate law. The Institution's management bodies are the Management Board

¹⁹ Article 23, Law on Administrative Officers (Official Gazette of Republic of Macedonia no. 27/2014, 199/2014, 48/2015, 154/2015, 5/2016)

²⁰ Law on Institutions (Official Gazette of Republic of Macedonia no. 32/2005, 120/2005, 51/2011) Article 1, 3,4,5,6, 41;

(or appropriate managing body with identical position and function, such as teaching and scientific or scientific board, school board, etc.), the director (one or several directors or appropriate body with identical function, such as dean, rector), and body for internal control and Supervisory Board. In addition to this, for the appropriate activities, other bodies may be envisaged by separate laws. Particular laws that lay behind election and appointment of the members of the management and supervisory boards are put in the following table.

Table 1:

Inserts from material laws on particular sectors that relate to elected and appointed persons

Based on Article 138 of the **Law on Nature Protection** (Official Gazette of Republic of Macedonia 67/2004, 14/2006, 84/2007, 35/2010, 47/2011, 148/2011, 59/2012, 13/2013, 163/2013, 41/2014, 146/2015, 39/2016 and 63/2016), the managing body of the public institution – National Park is the Management Board, composed of five members, two representatives of the body of the state management, competent for performing activities in the field of nature protection (until now they were of the founder), one representative of the municipalities where the national park is located, and two representatives of the expert body; Based on Article 139, paragraph 1, item 3 of this Law – the Management Board proposes to the Government to dismiss the executive body; Pursuant to Article 142 of the Law, the Board for Control of Material and Financial Operations consists of a President and three members, appointed and dismissed by the Government.

Based on Article 124, paragraph 2 of the **Law on Elementary Education** (Official Gazette of Republic of Macedonia no. 103/2008 – August 19, 2008; 33/2010, 116/2010, 156/2010, 18/2011, 51/2011, 6/2012, 100/2012, 24/2013, 41/2014, 116/2014, 135/2014, 10/2015, 98/2015, 145/2015, 30/2016, 127/2016 and 67/2017), the school board of the elementary school consists of nine members: three representatives of the teachers, expert associates and the school tutors, three representatives of the pupils' parents, two representatives of the founder and one representative of the Ministry.

For part of the educational institutions such as **Rehabilitation Bureau**, the provisions pursuant to Article 100, paragraph 1 of the Law on Social Protection are applied (Official Gazette of Republic of Macedonia no. 79/2009, 36/2011, 51/2011, 166/2012, 15/2013, 79/2013, 164/2013, 187/2013, 38/2014, 44/2014, 116/2014 and 180/2014, 33/2015, 72/2015, 104/2015, 150/2015, 173/2015, 192/2015 and 30/2016) according to which the managing body in the public institution is the Management Board. The Management Board is composed of five members, appointed by the founder, of who two members are expert employees in the institution regarding social protection. (paragraph, 2 of Article 100). The members of the Management Board are elected for a four-year term. (paragraph, 6 of Article 100). In order to perform internal control of the operation of the institutions for social protection, in accordance with Article 107 of this Law, the founder establishes a Supervisory Body, composed of three members appointed by the founder.

The Sports Academy, “State Secondary School Sports Academy Skopje”, pursuant to Article 4 of the Law on Sports Academy (Official Gazette of Republic of Macedonia no. 115/2014, 129/2015, 146/2015, 30/2016 and 142/2016) is a state secondary school, established for the sole purpose of realization of plans and programmes for general secondary education of certain categories of students, who are of special interest of the state. The Sports Academy is a legal entity and it is registered in the Central Registry of Republic of Macedonia. Pursuant to the Law on Secondary Education, Article 5, state secondary schools are established by the Government. (Article 5 of this Law). The managing body in the public secondary school, pursuant Article 88 of this Law, is the school board, composed of 12 members, including: 4 representatives of the teachers; 3 representatives of the pupils’ parents, i.e., guardians; 3 representatives of the founder and one representative of both the Ministry and the business community. The representatives of the founder are appointed and dismissed by the Government of the Republic of Macedonia. They are appointed for a four-year term, with right to one re-election. (Article 39 of this Law). The Law on Secondary Education: (Official gazette of Republic of Macedonia no. 44/95, 24/96, 34/96, 35/97, 82/99, 29/2002, 40/2003, 42/2003, 67/2004, 55/2005, 113/2005, 35/2006, 30/2007, 49/2007, 81/2008, 92/2008, 33/2010, 116/2010, 156/2010, 18/2011, 51/2011, 6/2012, 100/2012, 24/2013, 41/2014, 116/2014, 135/2014, 10/2015, 98/2015, 145/2015, 30/2016, 127/2016 and 67/2017).

Law on Secondary Education (Official gazette of Republic of Macedonia no. 35/2008, 103/2008, 26/2009, 83/2009, 115/2010, 17/2011, 51/2011, 123/2012, 15/2013, 24/2013, 41/2014, 116/2014, 130/2014, 10/2015, 127/2016). Pursuant to Article 70 of this Law, the Board is composed of 23 members, of who nine are professors, selected by the Interuniversity Conference, according to the universities’ participation in the total number of students enrolled for the first time in the academic year, two members from MASA, one representative of the most representative body of employers, two members of the interuniversity parliament of students and nine members appointed by the Government of the Republic of Macedonia, of who at least six members are professors of higher education institutions.

Pursuant Article 34 of the **Law on scientific and research activity** (Official Gazette of Republic of Macedonia no. 46/2008, 103/2008, 24/2011, 80/2012, 24/2013, 147/2013, 41/2014, 145/2015, 154/2015, 30/2016 and 53/2016), pursuant to the decision of selecting and dismissal of a director of the public scientific institution is made by the Government. Pursuant Article 30 of the Law on Scientific and Research Activity, the council of the public scientific institution is composed by nine members, of who six are representatives of the employees in the institution and three are representatives appointed by the Government – only they are counted because the others are employed and are members by function.

Pursuant to Article 34 of the **Law on Student Standard** (Official Gazette of Republic of Macedonia no. 15/2013, revised 30/2013, 120/2013, 41/2014, 146/2015, 30/2016 and 178/2016), (1) the managing body in the state student dormitory is the Management Board. (2) The Management Board of the state student dormitory is composed of seven members, including: three representatives of the founder, two representatives of the employees in the student dormitory, one representative of the student association of the university, in which the student dormitory is an associate member, and one representative of the university in which the student dormitory is an associate member, based on the principles of expertise and competency.

Pursuant to Article 58 of the **Law on Pupil Standard** (Official Gazette of Republic of Macedonia no. 52/2005, 117/2008, 17/2011, 135/2011, 15/2013, 41/2014, 146/2015 and 30/2016), the managing body in the pupil dormitory is the Management Board. The Management Board in the public pupil dormitories is composed by seven members, including: two representatives of the tutors and expert associates, one representative of the pupils' parents, i.e. guardians, three representatives of the founder and one representative of the Ministry. The representatives of the founder for the state pupil dormitories (pursuant to Article 10, paragraph 3 of this Law, State Pupil dormitory may be established by the Government for categories of pupils, who are of special interest) are appointed and dismissed by the Government for a four-year term, with right to one re-election. The Management Board elects a president from its composition.

According to Article 58, the managing body in the state pupil dormitory is the Management Board. The Management Board in the public pupil dormitories is composed by seven members, including: two representatives of the tutors and expert associates, one representative of the pupils' parents, i.e. guardians, three representatives of the founder and one representative of the Ministry.

Article 62, the director is the managing body of the pupil dormitory and is responsible for the lawfulness of operation and for the material and financial performance of the dormitory. The director of the municipal pupils' dormitory is selected and dismissed by the mayor of the municipality, pursuant to this law. The director of the pupils' dormitory of the city of Skopje is selected and dismissed by the mayor of the city of Skopje, pursuant to this law. The director of the state pupil dormitory is elected and dismissed by the Management Board, after prior consent from the Ministry, pursuant this law.

Pursuant to Article 100 of the new **Law on Health Care** (43/2012, 145/2012, 87/2012, 164/2013, 39/2014, 43/2014, 132/2014, 188/2014, 10/2015, 61/2015, 154/2015, 192/2015, 17/2016 and 37/2016), the Management Board of the public health institutions is composed of five members, of who three are representatives of the founder (the Government). Pursuant to Article 104, the employer body of the PHI is the Director. Pursuant to Article 105 (1) According to an exception from Article 104 of this Law, in the public health institution: for a health centre with more than 1.000 employees, university clinic centre, university clinic, clinic hospital, university institute and institute, two directors are appointed, one organizational director and one medical director, who are responsible for the public health institution's operation and the obligations that are undertaken in the legal transactions in accordance with the competencies determined by this or other law, by-laws and management contract. Pursuant to Article 107 (1) A director of a public health institution is appointed by a public competition, announced by the Management Board of the public health institution. (2) The director of the public health institution is appointed, that is, dismissed by the Ministry of Health. (3) Regarding the appointment, that is, the dismissal of the director, the Ministry of Health may consult with the Health Council. (4) The term of the director is four years and the Law on Complementary and Alternative Medicine (Official Gazette of Republic of Macedonia no. 25/2015);

The Law on Culture (Official Gazette of Republic of Macedonia no. 31/1998, 49/2003, 82/2005, 24/2007, 15/2008, 116/2010, 47/2011, 51/2011, 136/2012, 23/2013, 187/2013, 44/2014, 61/2015) Article 27 - Bodies of the national institution are the director and the Management Board. Article 28 (1) The managing body of the national institution is the director. Article 30

(1) The public announcement for the director is announced by the Ministry of Culture. On the public announcement, the candidates for the director position must submit their draft programme for operation and development of the institution.

(2) The Minister of Culture selects and dismisses the director within three months prior the term expiration of the previous director.

Article 35, (1) The managing body of the national institution is the Management Board. (2) The Management Board is composed of five representatives, appointed and dismissed by the Minister of Culture, of who two representatives are distinguished individuals in the field of culture, one is from the local self-government and two representatives are from the employees of the institution. In an institution with less than ten employees, one member of the employees, one from the local self-government and three members from the category of distinguished individuals in the field of culture are appointed in the Management Board. The representative of the local self-government in the Management Board is proposed by the mayor of the unit of the local self-government where the seat of the institution is situated.

Article 38, The provisions of this Law that refer to a national institution are appropriately applied to the municipal-city institution, especially for the establishment, operation, administration, management, decision-making and financing of the national institution, as well as the employment rights of the employees in the national institution, if it is not otherwise specified with the Law on Local Self-Government or the Law on a separate activity in culture.

Article 54, (1) The activity of the culture centres, regarding this law, e program and functional motivation and development of culture, especially the creation of children and youth, the cultural and artistic amateurism and the publication of cultural and artistic works, as well as for performing other cultural activities, in accordance with the law. (2) The title of the institution or the other legal entity performing the activity stated in paragraph 1 of this Article is the following: culture centre, culture facility, concert centre, children and youth centre, etc. and Law on Libraries (Official Gazette of Republic of Macedonia no. 66/04, 89/08, 116/10, 51/11, 88/15, 152/15, 39/16) Article 13 managing with local libraries Article 12 (1) Managing body of the local library is the director. (2) The mayor selects and dismisses the director of the library. The managing with local Library Article 13 (1) managing body of the local library is the Management Board. (2) The managing body is composed by five representatives, appointed by the council of the municipalities, from the city of Skopje and from the municipalities in the city of Skopje, of who three representatives are distinguished individuals in the field of culture and two representatives are employees of the library, expert and competent individuals. (3) The Management Board of the library adopts the statute of the library, defines the policy and principles for the development of the library, proposes the annual work program of the library, the financial plan and the annual account of the library, and performs other activities determined by the founding act and the statute. (4) Other matters in connection to the operation of the Management Board are regulated with the statute of the library.”

Pursuant to Article 100, paragraph 1 of the **Law on Social Protection** are applied (Official Gazette of Republic of Macedonia no. 79/2009, 36/2011, 51/2011, 166/2012, 15/2013, 79/2013, 164/2013, 187/2013, 38/2014, 44/2014, 116/2014, 180/2014, 33/2015, 72/2015, 104/2015, 150/2015, 173/2015, 192/2015 and 30/2016) according to which the managing body in the public institution is the Management Board. The managing body of the social services centre is composed of five members, appointed by the founder of who one member is proposed by the council of the municipality where the seat of the social services centre is situated, one member is an expert associate in the centre, and three representatives from the founder. (paragraph, 3 of Article 100). The members of the Management Board are elected for a four-year term. In order to perform internal control of the operation of the institutions for social protection, in accordance with Article 107 of this Law, the founder establishes a supervisory body, composed of three members appointed by the founder for a four-year term.

Law on Child Protection (Official Gazette of the Republic of Macedonia, No. 23/2013, 12/2014, 44/2014, 144/2014, 10/2015, 25/2015, 150/2015, 192/2015 and 27/2016), according to Article 114 of the Law, a management body of a Public Children's Institutions is a Management Board. The management body of a Public Children's Institutions established by the Government is comprised of representatives of the founder of the Public Children's Institution, of the parents and of the municipality, and the Municipality of Skopje in the case of the children's holiday resort.

In the Public Children's Institution, according to Article 114, paragraph 2 of the Law, the Management Board is comprised of seven members, four of which are representatives of the founder, one is a representative of the Public Children's Institution, one is a representative of the parents of the children and one is a representative of the municipality and the municipality of the City of Skopje, i.e. for the City of Skopje in the case of the children's holiday resort.

The representatives of the founder are appointed and dismissed by the Government, on the proposal of the Ministry (paragraph 4).

Practically there are a total of 865 public institutions that have been established under all of those different laws found relevant in different sectors.

Three of them are national parks in which a Management Board and a Supervisory Board is selected, and the management board selects the director, that is, 3 directors, 15 members of the management body and 4 members of the Supervisory Board. Management Board members shall be appointed and dismissed by the Government of the Republic of Macedonia. The composition, manner of selection of the Management Board members, its competence and the manner of deciding are determined with the Statute of the public institution – national park.

In the area of elementary education, there are 354 elementary schools with two-tiered management structure, a school board consisting of 9 members and a director. Despite being defined as elementary schools, two institutions also provide social protection: P.I. Institute for Rehabilitation of Children and Youth Skopje and the Institute for Rehabilitation of Children with Impaired Hearing, Speech and Voice and Other Developmental Disabilities "Koco Racin-Bitola", which have a 5-member Management Board, 3-member Supervisory Board and a director. The elementary schools may be established as both state (the Institutes) and municipal schools.

In the area of secondary education, there are 108 public institutions, such as state secondary schools, municipal secondary schools and centres, which may be general secondary schools and vocational secondary school. The secondary schools are managed by a 12-member school board and a director, and the Municipal Electrical Engineering and Mechanical School Centre "St. Naum of Ohrid" and the Traffic School Centre "Boro Petrushevski" from Skopje, both of which have deputy directors.

Regarding the higher education in a broader sense, there are 46 institutions, such as Universities and Faculties, as well as the Accreditation and Evaluation Board of Higher Education. The public and scientific institutions, the institutes within the universities, established as public and scientific institutions and as independent scientific institutions, are the following: the Movie Academy in Ohrid, the Hydro-Biological Institute Ohrid, the Institute of Ancient Slavic Culture in Prilep, and the Institute of Spiritual Heritage of Albanians, Skopje.

As dormitories, in the education area, there are 8 state student dormitories, 6 state pupil dormitories, and 6 municipal pupil dormitories. The dormitories have two-level management structure, consisting of 7-member Management Board and a director.

In the area of health, there are 133 public health institutions in various organizational forms, such as: public health centres, hospitals, university clinics, institutes, etc. All health institutions have a 5-member Management Board (except the Public Institution in the health area, serving the needs of the PHI University Clinics, Institute and Emergency Centre Skopje, which has a 4-member Management Board and one or two directors).

In the area of culture, there are 111 institutions, both state and municipal, such as museums, memorial centres, conservation centres, libraries, culture centres, zoos, etc. The institutions in the area of the culture have two-level management structure, consisting of 5-member Management Board and a director.

In the area of social protection and children protection, there are 107 state and municipal public institutions, such as kindergartens, institutions for care and upbringing of children and youth, social protection of the elderly, children's holiday resorts, centres for social work and inter-municipal centres for social work, etc. The institutions for social protection have a three-tiered management structure with 5-member Management Board, 3-member Supervisory Board and a director, whereas the kindergartens have a three-tiered management structure with 7-member Management Board, 3-member Supervisory Board and a director.

Other public institutions in the Republic of Macedonia are the Teachers Academy, Public Institution for Accommodation of Asylum Seekers, the Employment Agency, penitentiary institutions, prisons and centres with open departments, the Correctional Juvenile Facility in Tetovo, vocational education and training centres, adult education centres and the Macedonian Academy of Science and Arts.

Public enterprises

The public enterprises are established for the purpose of performing activities of public interest, and the founder of a public enterprise may be Republic of Macedonia, the municipalities and the city of Skopje may establish public enterprises in accordance with this Law, with the purpose of performing activities of public interest on the territory of Republic of Macedonia. On behalf of Republic of Macedonia, the public enterprises are established by the Government of Republic of Macedonia, and on behalf of the municipality, the municipality's council, and on behalf of the city of Skopje, the Skopje City Council. What differentiates public enterprises from classical administrative organizations is that they operate in accordance with the rules and principles of competitiveness, except when the competition would violate the performance of the public activity²¹.

The most common activity of the public enterprises are the public utility services: water supply, processing and delivery of technological water, drainage and purification of waste water, drainage and discharge of atmospheric water, public urban and suburban transport, treatment and disposal of communal solid waste, disposal of industrial waste and harmful substances, disposal of wastes generated by carrying out of construction work, maintenance of public cleanliness in urban and other settlements, maintenance and use of parks, greenery, park-forests, water and recreational areas, maintenance of street traffic signalization and other infrastructural objects of local significance, maintenance of public lighting, maintenance and use of public area, maintenance and use of wholesale and retail markets, chimney-sweeping and maintenance services, maintenance of communal devices, removal and storage of illegally parked vehicles, wrecked vehicles, agricultural machinery, etc., removal and storage of small and large cattle and poultry in urban areas, cutting and burning of firewood and coal on public and traffic surfaces, production, i.e. making of quicklime and charcoal in urban areas²², etc.

In Republic of Macedonia, there are a total of 125 public enterprises, both state and municipal. The public enterprises have a three-tier management structure. A Management Board which may consist of 5 to 15 members, who are selected and dismissed by the founder, a Supervisory Board, consisting of 5 members and a director who is elected by a public announcement by the Management Board. At the forefront of the public enterprises in the Republic of Macedonia, there are 125 directors, 727 members of Management Boards and 609 members of Supervisory Boards.

²¹ Law on Public Enterprises (Official Gazette of the Republic of Macedonia No.38/1996, 6/2002, 40/2003, 49/2006, 22/2007, 83/2009, 97/2010, 6/2012, 119/2013, 41/2014, 138/2014, 25/2015, 61/2015) Art. 2 paragraph 2;

²² Law on Communal Activities (Official Gazette of the Republic of Macedonia No.45/1997, 5/1999, 23/1999, 52/2001, 45/2002, 16/2004, 5/2009) Art. 3;

State-Owned Joint Stock Companies

The fourteen state-owned joint stock companies and the 5 single-member limited liability companies, in which the state appoints and selects members of the Supervisory Board, are companies which operate and are organized in accordance with the Law on Trade Companies, hence the employees have a status of workers, pursuant to the Law on Labour Relations. What differentiates these companies from the Trade companies and the joint stock companies in which the Government owns part of the shares, is the fact that the latter are private companies, and on behalf of the state, the Government appoints representatives in the management bodies, however, they unequivocally remain in the private sector.

State-owned joint stock companies are joint stock companies in which the sole shareholder, on behalf of the state, is the Government of Republic of Macedonia, and these companies perform activities with public authorization obtained by the founder him/herself or by the competent Ministry - which, in one way or another, means they are self-sustainable, they are profitable, but the profits are issued as dividends to the founder-that is, the Government, which means the profits are returned in the budget, the employees do not have status of public sector employees and are not subject to the same employment rules as public sector employees, and the criteria for selection and dismissal of the members of the Management Boards and Supervisory Boards are determined by the companies themselves with a Statute approved by the founder or the Government.

The existence of these companies remains controversial and there is no single position whether they are part of the public sector or not. Pursuant to the Law on Trade Companies, they are private companies, but the owner is the Government. Pursuant to the Law on Public Enterprises, the companies which perform activities of public interest (regardless if they have previously been public enterprises which transformed in joint stock companies or single-member limited liability companies, or they are single-member limited liability companies with public authorization) are subject to the same rules, principles of work and responsibility applicable to public enterprises. As a rule, the public enterprises are organized as joint stock companies, if both private natural persons and legal entities invest assets.²³

Due to the specificity of the status of these companies, in this report we included only those places which are selected by the Government of the Republic of Macedonia. In the joint stock companies, where the sole shareholder is the Government

²³ Law on Public Enterprises (Official Gazette of the Republic of Macedonia No.38/1996, 6/2002, 40/2003, 49/2006, 22/2007, 83/2009, 97/2010, 6/2012, 119/2013, 41/2014, 138/2014, 25/2015, 61/2015) Art. 2 paragraph 2, paragraph 3, Art. 2-a, Art.4, 4-a, Art. 7, Art. 7, Art.8, 8-c; and the Law on Trade Companies (Official gazette of Republic of Macedonia no. 28/2004, 84/2005, 25/2007, 87/2008, 42/2010, 48/2010, 24/2011, 166/2012, 70/2013, 119/2013, 120/2013, 41/2014, 138/2014, 88/2015, 192/2015, 6/2016, 30/2016).

of Republic of Macedonia, those are 3 members of Management Boards, 67 members of Supervisory Boards and 7 members of the Board of Directors, such as the Water Economy AD of Republic of Macedonia, which is owned by the state. In the joint stock companies in which the Government is a shareholder, that is 1 member of the Supervisory Board and 18 members of the Board of Directors. In state-owned single-member limited liability companies (DOOEL), as managers and members of Supervisory Boards, a total of 10 members of the Supervisory Boards and 5 managers are selected.

Administration and Management in the Public Sector

Management and Supervisory Boards

The discussions regarding the manners of management and administration are manifestations of the constant search for improving the accountability and the performance of the institutions.

In order to strengthen the efficiency and effectiveness of the public sector and to improve their accountability, many governments around the world are raising the topic of the role of management and Supervisory Boards in administration and management of institutions. Namely, after the period of separation of responsibility between the policy-making processes and their implementation and the creation of a large number of agencies and other institutions, now the main issue within the OECD member countries is how to improve the coordination mechanisms between the Government, the Ministries and Agencies i.e. those who founded them.²⁴

The accountability, the line of liability, who informs whom and in what manner; the defining of the goals of the institutions and their correlation with the Government's priorities; monitoring the achievements and performance, and the advisory role of the governing bodies for their performance, are the essence of the good governance debates.

If one takes into account that the administrative and management structures of the institutions have an exceptional responsibility to deliver public services and policies, then the representation and the manner of selection of members in these bodies have a huge role in these achievements. Therefore, it is important to establish good practices and enhance the role of administrative and Supervisory Boards in the administration of institutions.

²⁴ OECD (2004) OECD Principles of Corporate Governance: 2004, OECD, <http://www.oecd.org/dataoecd/32/18/31557724.pdf>

In Republic of Macedonia, beginning with the public institutions, there is always a person or a group who holds a certain position through politics. The President of the State, the Members of Parliament, the counsellors in the municipalities, the mayors, who are all elected directly by the citizens on general elections, as well as the Prime Minister and the Ministers, the directors of the regulatory bodies and the state's independent bodies, and the judges, who are elected by the members of parliament, the director of the Intelligence Agency and the Governor of the National Bank are appointed by the President, the directors of the independent management bodies and the bodies within the board, the members of the Management Boards and Supervisory Boards of public enterprises and the institutions established by the Government are elected and appointed by the Government, the members of the board of directors and Supervisory Boards of public enterprises and institutions established by the municipality are elected by the councillors of the municipalities, including their representatives in the school boards of the secondary municipal schools, and only universities elect their governing bodies themselves, without representatives of any holder of power.

Independent state administration bodies, independent bodies of the state, regulation authorities, legal entity with public authorizations, public enterprises and public administrations are institutions with management and supervisory boards. They are responsible for governance, guidance and control of the institutions they serve and they represent public interest.

The method of selection and appointment of management board members, their roles and responsibilities related to the function they are assigned must be clearly prescribed in the laws. Unfortunately, the selection criteria and the procedure are unclear and the public is not sufficiently familiarized with them.

Table 2. An example of the method of regulating the process of appointing and assigning management board members

Example referring to institutions

Energy Agency

Article 7 of the Law on Establishing an Energy Agency

The Agency is managed by a Management Board of the Agency, comprised of five members.

Agency Management Board members are appointed and dismissed by the Government of the Republic of Macedonia, keeping in mind the adequate and fair representation of members of all communities.

The mandate of Management Board members lasts for four years and there is an option for one re-election.

Real Estate Cadaster

Article 10 of the Law on Real Estate Cadaster

- (1) Management Board members shall be appointed and dismissed by the Government of the Republic of Macedonia, for a period of five years, without the right to re-election.
- (2) The members of the Management Board elect a President out of one of their members, at the first Management Board meeting.
- (3) When a Management Board member ceases to perform his/her duty prior to the expiry of his/her mandate, a new member shall be appointed for that vacancy, who will hold the position up to the expiry of the mandate of the member who is being replaced.

Macedonian Film Agency

Article 20 of the Film Industry Law(1) The Agency's operations shall be managed by a Management Board, the President and members of which are appointed and dismissed by the Government of the Republic of Macedonia, and they have the option to be reappointed for just one mandate.

(2) The Agency Management Board is comprised of a President and four members, one of which is selected from the line of distinguished individuals from the film industry, one is proposed by the Federation of Film Associations of the Republic of Macedonia or the Chamber of Commerce representing film producers, two are from the line of law graduates and one is from the line of economy graduates.

(3) The President and the members of the Management Board of the Agency shall be appointed based on the principle of expertise and competency and fair representation of the communities in the Republic of Macedonia.

Public Enterprise MACEDONIAN FORESTS

Article 17 of the Law on Public Enterprises

The Public Enterprise Management Board is comprised of a minimum of five and a maximum of 15 members.

The founder shall appoint, i.e. dismiss the members of the management board, coming from the line of acknowledged and renowned experts in the field that is the subject of operations of the public enterprise, having in mind the adequate and fair representation of the members of all communities.

Any person who meets the following requirements may be appointed as President or member of the Management Board:

- To be a citizen of the Republic of Macedonia;
- To have obtained at least 240 credits according to ECTS or to have completed a VII/1 level education;
- At the moment of appointment, not to have any penalties or sanctions in the form of a ban to perform any profession, activity or duty, issued against him/her; and
- To have at least three years of working experience.

The duration of the mandate of Management Board members shall not exceed four years.

Generally, Management Boards are appointed by the Government of the Republic of Macedonia, the Assembly, the City of Skopje, i.e. by the founder.

Most of the Management Boards have a strong managerial function, i.e. they enact the key acts of the institution, they determine strategic guidelines, they monitor financial operations, make decisions on internal organization and they elect and dismiss the Director, based on a competition announcement (especially in the case of public enterprises)

Some Management Boards have both a managerial and an advisory function, i.e. they do not have the mandate to elect and dismiss the Director of the institution. Both they and the members of the management boards are appointed and dismissed by the Government (for instance the Film Agency, the Real Estate Cadastre, the Agency for Foreign Investments and Export Promotion of the Republic of Macedonia, etc.)

In some cases, for instance with institutions from the field of culture, Management Board members are appointed and dismissed by the Minister, and the Director of the public institution is selected by the Minister, based on a public announcement.

A general observation may be made that for many selected offices, for which there are prescribed selection criteria, the criteria are too general and very unspecific, i.e. the conditions most commonly found are: to be 18 years of age, no record of prior arrests, adequate education (often in general terms) and minimum years of experience. The question remains as to what would happen if more precise criteria are set? Will we end up with better candidates or will we face demographic restrictions for democratic selection of candidates? Are there enough professionals in specific fields who would agree to apply regularly for each of the thousands of positions? Democracy does function well when there is fair competition - but ensuring competition is paramount! After the latest parliamentary and local elections, a situation arose where for a long period of time, many seats in the management boards and many directorial positions are filled with interim occupants (acting officials). Up to November 2017, some estimates show that as many as 30% of the directors were acting directors, and from January to March 2018, 51 directors were selected via public competition.²⁵ Could this potentially speak of the capacity existing in the Republic of Macedonia? This shall remain an outstanding question.

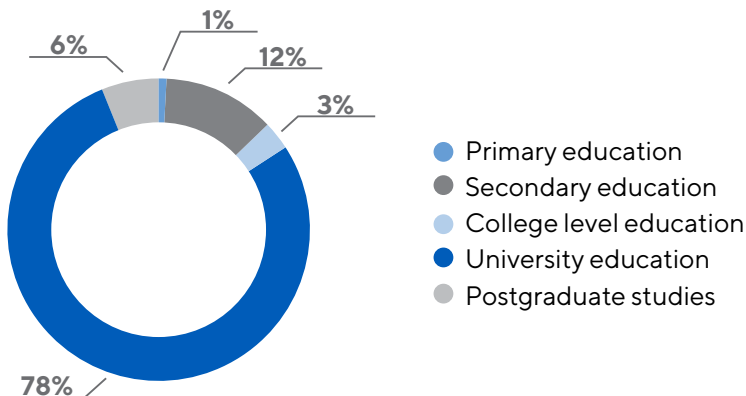
²⁵ According to the source 360 Show on Alsat TV: The Government will not disclose the list of applicants for the competition for directors, only acting officials appointed once again. ALSAT 360.20.3.2018. Available at: <https://www.youtube.com/watch?v=Vg7brL8pH60>;

Structure and Costs of Management and Supervisory Boards

The total number of appointed and selected persons, on all accounts, (Table 1) in the Republic of Macedonia is 12,275. Out of this number, the total number of appointees in the public sector is 12,164, which is 9.3% of the total number of employees in the public sector. The total number of appointed and selected persons in public administration is 11,404, i.e. 8.9% of the total number of public administration employees.

In order to determine the state of affairs in terms of the structure and costs relating to management boards, the number of institutions that have an appointed board was identified for 506 institutions, and information requests were sent out to 474 institutions for which the contact addresses were found. Responds from 248 were collected back, with answers to the questionnaire for on open access to public information. The obtained data sample showed that in terms of educational background, it is evident that most of the MB members (78% to be more exact) have a university level education or have completed post-graduate studies (6%). As for the Supervisory Boards, the situation is equally satisfactory, i.e. 83% are persons with university level education and 5% have completed post-graduate studies.

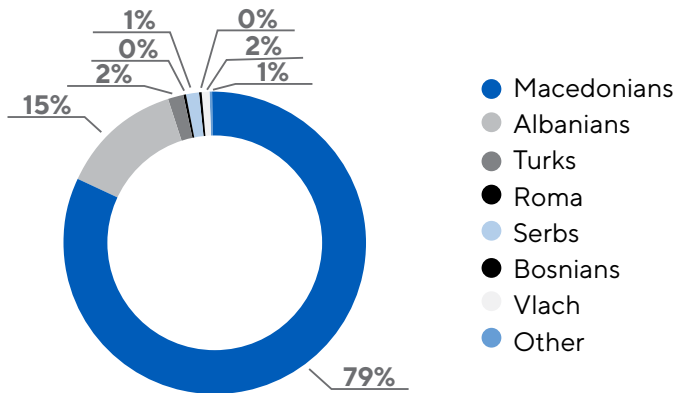
Diagram 1. Educational background levels for MB members



The structure of management boards greatly differs, depending on the status of the institution, however in the Republic of Macedonia this number moves in the 5-7 member range, although there are institutions the management bodies of which have up to 15 members²⁶.

Regarding ethnic representation, out of the data sample from the institutions, it is evident that 79% are Macedonians, while 15% are Albanians. In supervisory boards, Albanians represent 13% of the members.

Diagram 2. Representation based on ethnicity in MB



Law on Equal Opportunities for Women and Men (Official Gazette of the Republic of Macedonia, No. 6/2012). The Law on Amendments and Supplements to the Law on Equal Opportunities for Women and Men (Official Gazette of the Republic of Macedonia, No. 166/2014), refers to the fact that the Government is obligated to envisage equal participation for women and men when incorporating operational bodies and delegations, consulting and coordination bodies and other organs and when appointing representatives in public enterprises and administrations. At the same time, it binds the Government to publish statistical data about male and female representation in appointed offices, decision-making structures, management boards and management structures in public administration. The data analysis shows that a proportionate ratio of men compared to women in management bodies, or the numbers are similar.

²⁶ Public enterprises are institutions with management boards with the most members. Pursuant to Article 17 of the Law on Public Enterprises, the number of members on management boards be from 5 to 15. Macedonian Forests is one of the institutions with a management board comprised of 15 members

Diagram 3. Representation of men and women in MB

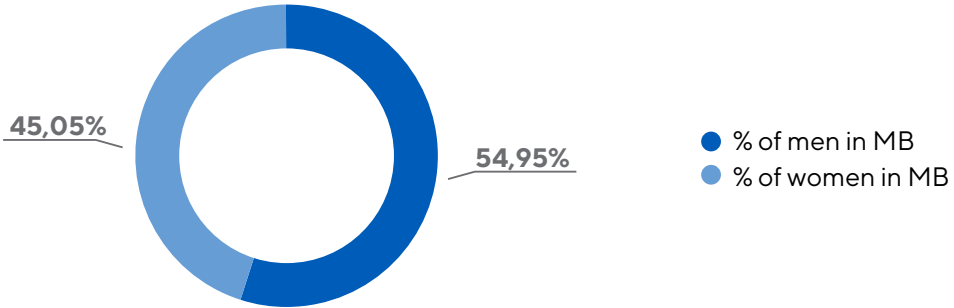
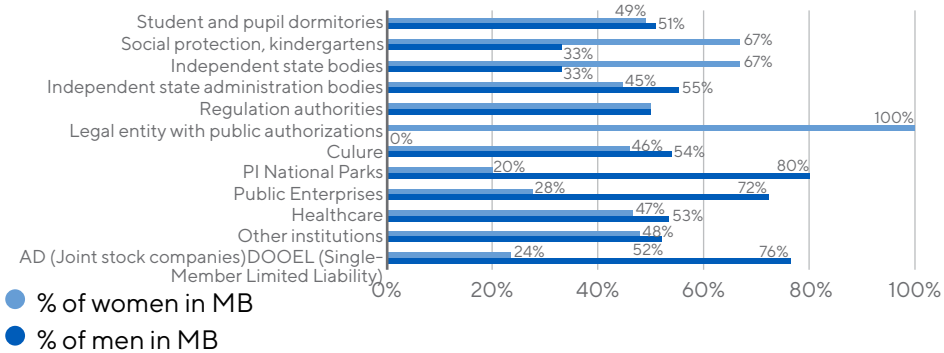


Diagram 4. Representation of men and women in MB, based on activities



Out of the collected data about decision-making bodies, it is evident that in public enterprises and joint-stock companies, there is a predominant male presence, and in the field of social protection and in independent state bodies, the predominance is female.

According to the method of payment of costs, management and supervisory body members are paid a monthly lump fee, regardless of the number of meetings that were kept or a fee per held meeting. The amount of the fees is prescribed with a separate act.

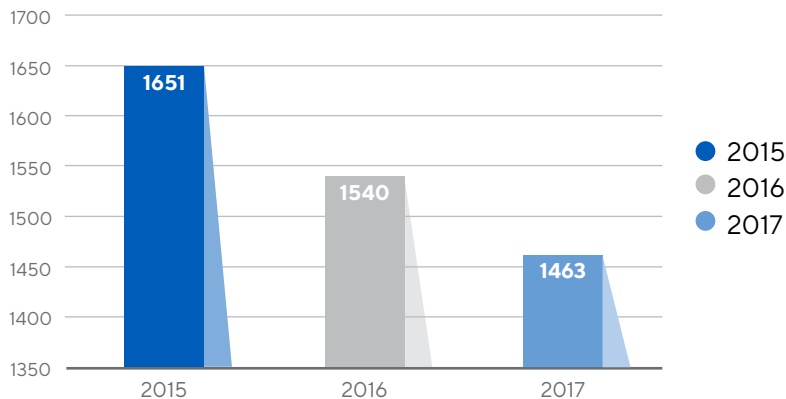
A monthly fee that is most common for a President of a Management Board is MKD 12,000, or MKD 10,000 for a Management Board member, and the fees are the same when it comes to Presidents i.e. members of Supervisory Boards. There are rare occasions where the amount of the fee goes up to MKD 16,000 or MKD 23,500 per Management Board member. With Supervisory Boards, there are no such variations in monthly fees.

The lowest monthly fee that for a President of a Management Board is MKD 3,000 i.e. MKD 1,000 for a Management Board member, and the fees are approximately the same, ranging from 2 to 3,000 MKD when it comes to Presidents i.e. members of Supervisory Boards.

The fee paid per meeting varies significantly, depending on the institution or even the sector or industry and it ranges from MKD 500 - 700 as the lowest fee per meeting, up to MKD 1,800 - 2,500 per meeting. This covers most of the cases. In rarer instances, the fee for Management or Supervisory Board members goes up to MKD 8,000 - 10,000, and it is paid per held meeting.

In terms of the number of meetings held by management boards, the data shows a range from 1463 to 1651 meetings for the sample of 248 filled-out applications from the institutions for a three year period, dating from 2015 to 2017 for the three years. If we try to find the average of the meetings held per year it is placed on 8-9 meetings per year, which is in fact an average for a single institution.

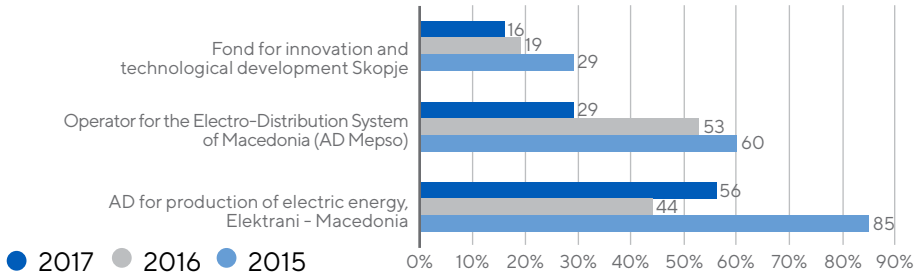
Diagram 5. Number of meetings of MB per year



The number of meetings of Supervisory Boards is significantly lower and it ranges from 300-325 meetings annually for the three years from 2015 to 2017.

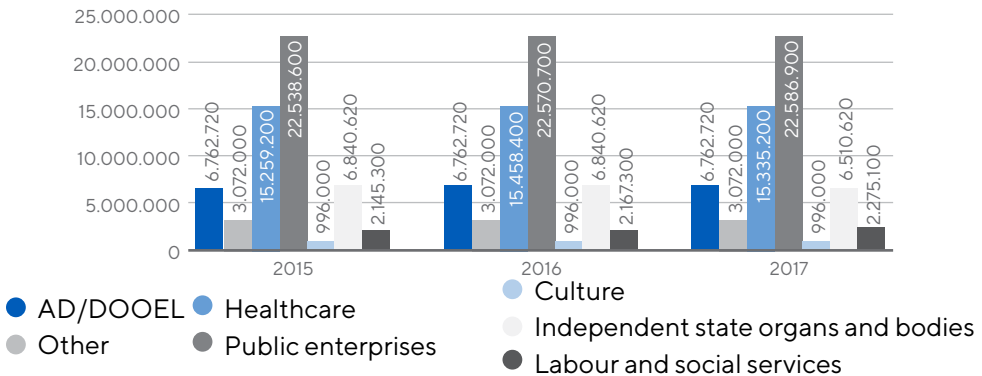
The average of meetings held by Supervisory Boards ranges from 4-5 meetings per year per institution. An interesting point is that the same institutions that increase this number for the management boards, increase also the number of meetings for the Supervisory Boards.

Diagram 6: Institutions with the biggest number of meetings



In regards to those institutions that are the most indicative with the number of meetings held per year, we can find three institutions (as per diagram 6), that are far above the average when we compare to all other institutions. Two of those institutions belong to the category AD DOOEL, while the third one falls under category of independent state bodies. For those indicated this way, the payment of the members of MB is based on a monthly base, and the total monthly cost varies from 597.600 mkd for AD for production of electric energy – Elektrani na Makedonija up to 6.165.120 mkd for the Operator of the Electro-Distribution System of Macedonia, while the total annual payment for the Fond of innovation and technological development reaches 744.000 mkd per year.

Diagram 7. Overview of the costs for Management and Supervisory Boards, grouped per sector or industry for a three year period.



It is interesting to note that public enterprises and institutions that work in healthcare showed the highest fees for MB and SB members. Every year, approximately 366,481.00 euros are spent on fees for MB members and 197,092.00 euros for SB members. Of the sample of institutions, healthcare is next in line, with the highest cost of 249.352 thousand euros of annual costs. Then came AD (joint-stock company) DOOEL (Single-member limited liability) and independent state bodies with 111,229.00 euros. The costs of all institutions show a constant trend through-

out the years and the amount is almost the same for each year in the period between 2015 to 2017.

According to the data collected from 248 institutions, the country spends approximately one million one hundred and ninety five thousand euros. In summary, if we try to make a projection of the total costs for all 506 institutions that have management and Supervisory Boards, this cost could amount to 2,503,518.83 euros.

Table 3. Overview of total costs and outflow of funds for Management and Supervisory Boards on an annual level.

Costs	Management Boards	Supervisory Boards	Total
Monetary fee – annual average in MKD	58.670.273,33	14.847.933,33	73.518.206,67
Monetary fee – annual average in EUR	953.988,18	241.429,81	1.195.417,99
Monthly fee in EUR	79.499,02	20.119,15	99.618,17
Number of institutions that responded	248,00		
Total No. of institutions with boards	506,00		
Percentage of obtained replies	48 %		
Projected monetary fee for all institutions (EUR)	1.997.901,48	505.617,35	2.503.518,83
	Management Boards	Supervisory Boards	Total
Number of persons in boards in the sample	1.343	450	1.793
Projected number of persons in the boards for all institutions	2.813	942	3.755

Ratio of Selected and Appointed Persons and Employees in the Public Sector

On the raised issue of rationality and the number of appointed and selected persons, compared to the realistic potential, needs and possibilities of the Republic of Macedonia, two things stand out as key: First, to see the purpose, i.e. the function of the public institution, and from there on to see whether the appointed and selected persons hold office in that same institution or are they just management and supervision bodies, and the work is mostly carried out by the employees, and second, to see the absolute number of appointed persons compared to the total number of employees.

Out of the 1334 institutions covered by the research, we selected 147 as more illustrative examples with up to 10 employees. At the head of these 147 institutions, with a total of 852 employees, there are 1003 appointed and selected persons. This number is in fact bigger than the total number of employees in the selected institutions.

It is necessary to analyze the type and purpose of the work of each institution.

For instance, the bodies that function as part of the ministries are headed by one Director, and except in extraordinary circumstances (and there are no such circumstances) that Director cannot outnumber the total number of employees. That situation is appropriate, since it is the Director's role to manage the body, and the actual work should be performed by administrative officers. The Council of Public Prosecutors, for e.g. has 8 officials, 1 Secretary General and 8 employees. The members of the Council do the work, and the small administration unit plays a service role for the Council. Regulation authorities follow the same logic. Nevertheless, it is difficult to justify the rationality of a regulation authority with 2 employees and 4 high officials, like is the example of the Agency for Regulating Railway Traffic. Another equally interesting example is the Housing Commission, which has a 5-member Commission and an administrative service of 4 employees. If the scope of work corresponds to the number of members within the Commission,

then this situation may be justifiable, however with 2 employees, the question is what the operational potential of such a body is, or whether all persons involved in the operations are employed. These institutions are shown just as examples, and the authors are not implying that there are any irregularities.

Also, we can understand the cases of small municipalities, with 11 council members and a smaller size administrative unit that provides services to the council.

However, the true enigma are public institutions and public enterprises with under 10 employees, because in their case it is expected that the employees should be doing the work for which the institution is established. Unfortunately, many of the institutions pointed out in Table 3 are victims of previously taken actions and external circumstances. There are 70 public institutions with fewer than 10 employees, with a total of 389 employees. The bodies of these institutions are comprised of 454 elected persons. The most extreme examples, once again there is no mal-intent in presenting the examples, are: the local institution from the field of culture - City Museum Kriva Palanka, the Central Library 'Kocho Racin' Pehchevo, the Scientific-Cultural meetings 'Ten Days of the Krushevo Republic' (that has the status of a museum), the municipal institution for Children and Youth 'Blagoj Mucheto' P.O. Strumica and the Public Municipal Children's Institution - Kindergarten 'Filjizi' in the Municipality of Saraj, each with only 1 employee and all have a Director and a 5-member Management Board.

Final Considerations and Recommendations

1. Democracy and decentralization, as a long-term goal of any democratic country, are both a right and a privilege of developed countries. Small and developing countries, like the Republic of Macedonia, cannot keep up with developed countries with every step they take, on the contrary – they must be creative in the institutional, staffing and political solutions they find.
2. Although they are not directly responsible for managing the institution, Management Boards have a serious obligation to monitor the management of the institutions. That is why their role in raising questions for accomplishing the goals of the institutions is very important. In regards to that, it is necessary to build an appropriate standards for the elected and appointed persons with the precise criteria for selection, as well as to build the standards around the procedure for their selection, their role and function, and to establish indicators for the effectiveness in doing their job.
3. Management and Supervisory Board members should be people with work experience, knowledge, skills in the relevant field, as well as knowledge and skills in management, financial management, strategic awareness and risk management. The geographic area they come from can be considered as an additional advantage, especially if they represent some groups of key importance to that area. Management Board members must be able to explain the changes and to demonstrate the link between the institution and the strategic priorities of the Government. This is why it is proposed that the members of the management boards should be selected via a competitive process, following an adequate procedure.
4. In order to rationalize management costs, management boards should be consisted of 5-7 members.
5. The assumed value, based on the sample in the part of funds spent annually, of management and supervisory boards for all institutions with such or similar bodies is approximately 2,500,000 (two and half million) euros, and the average number of meetings is between 6-7. It is necessary to make a more in-depth analysis of the costs for these bodies and to come up with measures for rationalizing those costs.

6. When it comes to public enterprises, and when the goal is to rationalize, we can think about establishing inter-municipal services²⁷, in order to maximize the human potential of the institutions and to reduce the number of 'high officials'. Wherever special laws will allow, we recommend the same for municipal institutions.²⁸
7. We can assume that some institutions, kindergartens/preschools for instance, hire people that are not permanently employed, and that institutions such as the local library in the town of Pehchevo do not need more than one librarian, however the legal requirement regarding the composition of management bodies stipulates that there are more 'decision-makers' than operational staff.
8. The situation with 31 public enterprises with fewer than 10 employees is similar. These enterprises employ a total of 170 people, each with one Director, 5-member Supervisory Boards and 5-15 member Management Boards, meaning that these public enterprises are managed by a total of 326 persons. That is almost twice as many. In this category too, we will present some of the more extreme examples: Public Utility Company 'Likjeni Treska', Public Utility Company 'Pela Higiena' – municipality of Mogila, Public Utility Company 'Studenicani' village Studenicani and Public Utility and Infrastructure Company from Kratovo, with only one employee on the records and each with 11-member management bodies. We can assume that these institutions too are the result of external circumstances, inflexibility of the Law on Public Enterprises for establishing fewer management bodies and there is also a possibility that the enterprises hire people that are not employed for an indefinite period of time.

²⁷ Art. 14, Law on Local Self-Government (Official Gazette of the Republic of Macedonia No. 5/2002);

²⁸ Just to illustrate, this would mean that several municipal utility companies discontinue their work, and a single inter-municipal utility company to be established instead. The buildings, mechanical equipment and the staff will remain unchanged, only difference would be one Director, one Management and one Supervisory Board, instead of several.

Sources:

1. *Constitution of the Republic of Macedonia*
2. *Law on Election of President of the Republic of Macedonia, dated April 12 1994 and Law on Rights of the President of the Republic of Macedonia and Their Family After Leaving Office, dated July 2 2004, Law on Defense, Law on Decorations and Recognitions of the Republic of Macedonia.*
3. *Law on the Intelligence Agency (Official Gazette of the Republic of Macedonia), Art. 3*
4. *Law on the National Bank (Official Gazette of the Republic of Macedonia, No. 158/10, 123/12, 43/14, 153/15 and 6/16), Art.3;*
5. *Law on the Assembly of the Republic of Macedonia*
6. *Law on Audio and Audiovisual Media Services (184/2013, 13/2014, 44/2014, 101/2014, 132/2014, 142/2016, 132/2017) Art. 4, 11, 12, 14, 19;*
7. *Law on Electronic Communications (Official Gazette of the Republic of Macedonia, No. 13/2005, 14/2007 and No. 55/2007, and No. 98/2008 and No. 83/2010) Art. 6, 14, 15,*
8. *Law on Postal Services (Official Gazette of the Republic of Macedonia No. 158/2010, 27/2014, 42/2014, 187/2014, 146/2015, 31/2016, 190/2016) Art. 7, 14, 18*
9. *Law on Railway System (Official Gazette of the Republic of Macedonia) Art. 2, 3, 7*
10. *Law on Mandatory Capital Funded Pension Insurance (Official Gazette of the Republic of Macedonia, No. 29/2002, 85/2003, 40/2004, 113/2005, 29/2007, 88/2008, 48/2009, 50/2010, 171/2010, 36/2011, 98/2012, 13/2013, 164/2013, 44/2014), Art. 50*
11. *Law on Insurance Supervision, Art. 158-f*
12. *Aviation Act (Official Gazette of the Republic of Macedonia No. 14/2006, 24/2007, 103/2008, 67/2010, 24/2012, 80/2012, 155/2012, 42/2014, 97/2015, 152/2015, 27/2016, 31/2016), Art. 8, 9, 9-b;*
13. *Law on Housing (Official Gazette of the Republic of Macedonia No. 99/2009, 57/2010, 36/2011, 54/2011, 13/2012, 55/2013, 163/2013, 42/2014, 199/2014, 146/2015 and 31/2016) Art. 105*
14. *Law on Securities (Official Gazette of the Republic of Macedonia No. 95/2005, 25/2007, 7/2008, 57/2010, 135/2011, 13/2013, 188/2013, 43/2014, 15/2015, 154/2015, 192/2015 and 23/2016), Art. 182, 183;*
15. *Law on Energy (Official Gazette of the Republic of Macedonia No. 16/2011, 136/2011, 79/2013, 164/2013, 41/2014, 151/2014, 33/2015, 192/2015, 215/2015, 6/2016, 53/2016 and 189/2016) Art. 16;*
16. *Law on Institutions*
17. *Law on Public Prosecutor's Office (150/2007 and 111/2008) Art. 40 paragraph 1*
18. *Law on Personal Data Protection (Official Gazette of the Republic of Macedonia No. 7/2005, 103/2008, 124/2008, 124/2010, 135/2011) Art. 37*
19. *Law on State Audit (Official Gazette of the Republic of Macedonia No. 66/2010, 145/2010) Art. 3, 4*
20. *Electoral Code (Official Gazette of the Republic of Macedonia No. 40/2006, 127/2006, 136/2008, 148/2008, 155/2008, 163/2008, 44/2011, 51/2011, 142/2012, 31/2013, 34/2013, 14/2014, 30/2014, 31/2015, 196/2015, 35/2016, 97/2016, 99/2016, 136/2016, 142/2016). Art. 17, 26, 33, 34, 38;*
21. *Law on Public Procurements (Official Gazette of the Republic of Macedonia No. 136/2007, 130/2008, 97/2010, 53/2011, 185/2011)*
22. *Law on Establishing a Second-Instance State Commission in the Field of Inspection Supervision and Misdemeanor Procedure (Official Gazette of the Republic of Macedonia No. 130/2014 and No. 53/2016)*
23. *Law on Establishing a State Commission for Ruling in Second-Instance Administrative Procedures and Employment Procedures (Official Gazette of the Republic of Macedonia No. 51/2011).*

24. *Law on Prevention of Corruption (Official Gazette of the Republic of Macedonia No. 8/2002, 33/2003, 46/2004, 89/2005, 126/2006, 7/2007, 10/2008, 161/2008, 145/2010, 97/2015, 148/2015) Art. 47, 48, 48-g,*
25. *Law on Establishment of Additional Requirements for Public Office (Official Gazette of the Republic of Macedonia No.14/2008, 24/2011, 86/2012);*
26. *Law on Protection of Competition (Official Gazette of the Republic of Macedonia No. 01/2005);*
27. *LAW ON OPEN ACCESS TO PUBLIC INFORMATION (Official Gazette of the Republic of Macedonia No. 13/2006, 86/2008, 6/2010, 42/2014) Art.31*
28. *Law on Central Registry (Official Gazette of the Republic of Macedonia No. 50/2001; 49/2003; 109/2005, 88/2008, 35/2011, 43/2014, 199/2014, 97/2015, 153/2015 and 27/2016)*
29. *Law on Vocational Education and Training (Official Gazette of the Republic of Macedonia No. 71/2006, 117/2008, 148/2009, 17/2011, 24/2013, 137/2013, 41/2014 u 145/2015 and 55/2016) Art.9*
30. *Law on Adult Education (Official Gazette of the Republic of Macedonia No. 7/2008, 17/2011, 51/2011, 74/2012, 41/2014, 144/2014 u 146/2015) Art.9*
31. *Law on Textbooks for Elementary and Secondary Education (Official Gazette of the Republic of Macedonia No. 98/2008, 99/2009, 83/2010, 36/2011, 135/2011, 46/2012, 24/2013, 120/2013, 29/2014, 146/2015, 217/2015 and 30/2016) Art. 7*
32. *Law on Establishment of the Energy Agency of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 62/2005 u 41/2014) Art. 7, 8*
33. *Law on Real Estate Cadaster (Official Gazette of the Republic of Macedonia No. 55/2013, 41/2014, 115/2014, 116/2015, 153/2015, 192/2015, 61/2016 and 172/2016) Art.10, 12;*
34. *Law on Physical and Urban Planning 199/2014 (dated 30.12.2014, 44/2015, 193/2015, 31/2016 and 163/2016) Art. 59, 60;*
35. *Law on Establishment of the Agency for Entrepreneurship Support of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 60/2003, 161/2009, 171/2010 and 41/2014) Art. 10;*
36. *Law on Establishment of the Agency for Promoting Agriculture Development (Official Gazette of the Republic of Macedonia No. 3/98 and 43/2014) Art. 5;*
37. *Law on Establishment of the Agency for Foreign Investments and Promotion of Export of the Republic of Macedonia (57/2010, 36/2011 u 41/2014) Art. 8*
38. *Law on Managing Confiscated Property, Property Benefits and Appropriated Objects in a Criminal and Misdemeanor Procedure (Official Gazette of the Republic of Macedonia No. 98/2008, 145/2010, 104/2013, 187/2013, 43/2014, 160/2014, 97/2015 and 148/2015) Art.13, 14)*
39. *Law on Mandatory Oil Reserves (144/2014, 178/2014) Art. 18, 19, 23, 46)*
40. *Law on Standardization (Official Gazette of the Republic of Macedonia No. 54/2002, 84/2012, 23/2013, 41/2014 and 53/2016) Art. 15;*
41. *Law on Establishment of a National Agency for European Educational Programmes and Mobility (Official Gazette of the Republic of Macedonia No. 113/2007, 24/2011, 24/2013, 41/2014, 145/2015 and 55/2016) Art. 12;*
42. *Law on Audit of the Instrument for Pre-Accession Assistance (IPA) (Official Gazette of the Republic of Macedonia No. 66/2010, 43/2014, 154/2015 and 27/2016) Art. 3, 4;*
43. *Law on Health Protection (Official Gazette of the Republic of Macedonia No. 43/2012, 145/2012, 65/2013, 87/2013, 164/2013, 39/2014, 43/2014, 101/2014, 132/2014, 188/2014, 10/2015, 61/2015, 154/2015, 192/2015, 17/2016, 37/2016, 93/2017) Art. 57, 100, 104, 105, 107, 328,*
44. *Law on Innovation Activities (Official Gazette of the Republic of Macedonia No. 79/2013 dated 31.5.2013, 137/2013, 41/2014, 44/2015, 6/2016, 53/2016 and 190/2016) Art. 21, 29, 30, 32, 33;*
45. *Law on the Deposit Insurance Fund (63/2000, 29/2002, 43/2002, 49/2003, 81/2008, 158/2010, 43/2014, 15/2015, 153/2015 and 27/2016) Art. 13;*

46. *Law on Pension and Disability Insurance (Official Gazette of the Republic of Macedonia No. 98/2012 dated: August 1, 2012, 166/2012, 15/2013, 170/2013, 43/2014, 44/2014, 97/2014, 113/2013, 160/2014, 188/2014, 20/2015, 61/2015, 97/2015, 129/2015, 147/2015, 154/2015, 173/2015, 217/2015 u 27/2016, 120/2016 and 132/2016) Art. 159;*
47. *Law on Establishment of a National Agency for Nuclear Technologies of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 115/2010) Art. 2, 10;*
48. *Law on Judicial Council of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 60/06) Art. 2, 6;*
49. *Law on the Public Prosecutor's Office (150/2007 and 111/2008) Art. 40;*
50. *Law on Protection of the Environment (Official Gazette of the Republic of Macedonia No. 67/2004, 14/2006, 84/2007, 35/2010, 47/2011, 148/2011, 59/2012, 13/2013, 163/2013, 41/2014, 146/2015, 39/2016 and 63/2016) Art. 138*
51. *Law on Primary Education (Official Gazette of the Republic of Macedonia No. 103/2008, 33/2010, 116/2010, 156/2010, 18/2011, 51/2011, 6/2012, 100/2012, 24/2013, 41/2014, 116/2014, 135/2014, 10/2015, 98/2015, 145/2015, 30/2016, 127/2016 and 67/2017) Art. 124 paragraph.2;*
52. *Law on Complementary and Alternative Medicine (Official Gazette of the Republic of Macedonia No. 25/2015 and 39/2016) Art. 50, 51, 53;*
53. *Law on Establishment of the Macedonian Academic Research Network (Official Gazette of the Republic of Macedonia No. 124/2010, 47/2011 and 41/2014) Art. 2, 7;*
54. *Law on Libraries (Official Gazette of the Republic of Macedonia No. 66/04, 89/08, 116/10, 51/11, 88/15, 152/15, 39/16) Art. 13;*
55. *Law on Culture (Official Gazette of the Republic of Macedonia No. 31/1998, 49/2003, 82/2005, 24/2007, 15/2008, 116/2010, 47/2011, 51/2011, 136/2012, 23/2013, 187/2013, 44/2014, 61/2015) Art. 27, 28, 30, 38, 54;*
56. *Law on State Examination Centre (Official Gazette of the Republic of Macedonia No. 142/2008, 148/2009, 41/2014, 55/2016 and 142/2016) Art. 5, 9;*
57. *Law on Student Standard (Official Gazette of the Republic of Macedonia No. 15/2013, 30/2013, 120/2013, 41/2014, 146/2015, 30/2016 u 178/2016) Art. 34*
58. *Law on Pupil Standard (Official Gazette of the Republic of Macedonia No. 52/2005, 117/2008, 17/2011, 135/2011, 15/2013, 41/2014, 146/2015 and 30/2016), Art. 58*
59. *Law on Sports Academy (Official Gazette of the Republic of Macedonia No. 115/2014, 129/2015, 146/2015, 30/2016 and 142/2016) Art. 4*
60. *Law on Secondary Education: (Official Gazette of the Republic of Macedonia No. 44/95, 24/96, 34/96, 35/97, 82/99, 29/2002, 40/2003, 42/2003, 67/2004, 55/2005, 113/2005, 35/2006, 30/2007, 49/2007, 81/2008, 92/2008, 33/2010, 116/2010, 156/2010, 18/2011, 51/2011, 6/2012, 100/2012, 24/2013, 41/2014, 116/2014, 135/2014, 10/2015, 98/2015, 145/2015, 30/2016, 127/2016 and 67/2017).*
61. *Law on Scientific - Research Activities (Official Gazette of the Republic of Macedonia No. 46/2008, 103/2008, 24/2011, 80/2012, 24/2013, 147/2013, 41/2014, 145/2015, 154/2015, 30/2016 and 53/2016) Art. 34*
62. *Law on High Education (Official Gazette of the Republic of Macedonia No. 35/2008, 103/2008, 162/2008, 26/2009, 83/2009, 99/2009, 115/2010, 17/2011, 51/2011, 123/2012, 15/2013, 24/2013, 57/2013, 41/2014) Art. 70;*
63. *Law on Employment and Insurance in Case of Unemployment (Official Gazette of the Republic of Macedonia No. 37/97, 25/2000, 101/2000, 50/2001, 25/2003, 37/2004, 4/2005, 50/2006, 29/2007, 102/2008, 161/2008, 50/2010, 88/2010, 51/2011, 11/2012, 80/2012, 114/2012, 39/2014, 44/2014, 113/2014, 56/2015, 129/2015, 147/2015, 154/2015, 27/2016, 119/2016) Art. 89, 91*

64. *Law on Child Protection (Consolidated text, 2017, source http://www.mtsp.gov.mk/content/pdf/zakoni/2017/zastita_deca_konsolidiran_2017_8.pdf) Article 16, 17, 114, 131;*
65. *Law on Social Protection (79/2009, 51/2010, 36/2011, 51/2011) Art. 100, 103, 107, 115;*
66. *Law on Teachers Academy (Official Gazette of the Republic of Macedonia No. 10/2015, 192/2015, 30/2016 and 127/2016) Art. 1, 7, 20;*
67. *Law on Public Enterprises (Official Gazette of the Republic of Macedonia No. 38/1996, 6/2002, 40/2003, 49/2006, 22/2007, 83/2009, 97/2010, 6/2012, 119/2013, 41/2014, 138/2014, 25/2015, 61/2015) Art. 16, 17, 19-a, 23, 26;*
68. *Law on Establishment of PE Macedonian Broadcasting, (Official Gazette of the Republic of Macedonia No. 6/98; 98/2000 and 48/2009)*
69. *Law on Publishing Law and Other Regulations and Acts in the 'Official Gazette of the Republic of Macedonia' (Official Gazette of the Republic of Macedonia No. 56/99 and 43/2002)*
70. *Law on Local Self-Government (Official Gazette of the Republic of Macedonia No. 5/2002)*
71. *Law on Territorial Organization of the Republic of Macedonia (consolidated text)*
72. *Law on Institutions (32/2005, 120/2005, 51/2011)*
73. *Law on Organization and Work of State Administration Bodies (Official Gazette of the Republic of Macedonia No. 58/2000, 44/2002, 82/2008, 167/2010, 51/2011)*
74. <http://www.sep.gov.mk/content/?id=100#.WncwpainFPY>
75. <http://www.sz.gov.mk/index.php/pages/sekretar>
76. <https://1drv.ms/p/s!Avtrt4a6p452oPN7TObhgbOFOVR1RQ>
77. <http://is.gov.mk/organogram-na-is.nspix>
78. <http://www.sunr.mk/index.php/mk/2013-01-29-19-59-19/sovet-na-sunr>
79. <http://www.sjorm.gov.mk/SovetNaJavniteObviniteli.aspx>
80. *360 The Government will not disclose the list of applicants for the competition for directors, only acting officials appointed once again. ALSAT 360.20.3.2018. Available at: <https://www.youtube.com/watch?v=Vg7brL8pH60>;*
81. *Announcement for distribution of the mandates for municipal counsellors, cross section of the date obtained at 17.1.2017 in 13:10 State Election Commission of the Republic of Macedonia. Available at: <https://drive.google.com/file/d/0B8ZpCwro9h-zTG9ZVHdYd3RkU1U/view>*
82. *Report on the work of public prosecutor's offices in the Republic of Macedonia in 2015, Skopje, June 2016, Public Prosecutor's Office of the Republic of Macedonia*
83. *Report on the Registry of Public Sector Employees for 2016.*
84. *Gilardi Fabrizio (2008) Delegation in the Regulatory State Independent Regulatory Agencies in Western Europe, Edward Elgar;*
85. *Held David (2007) Models of Democracy 3d ed. Polity Press, Maiden MA*
86. *Dahlstrom Carl (2009) Political appointments in 18 Democracies, 1975-2007 QoG Working Paper Series 2009:18, Goteborg University, the QOG Institute (https://www.pol.gu.se/digitalAssets/1314/1314625_political-app.pdf)*
87. *Shkaric Svetomir (2015) Ustavno pravo, Kultura, Skopje;*
88. *Telephone surveys.*

Annexes:

Annex 1.

Overview of appointed and elected persons and number of public sector employees

		No. of institutions	Employees	Appointed/ elected persons	% appointed/ elected persons compared to employees
Executive government	President of state	1	56	3	5,4
	Separate state body (Intelligence Agency)	1	248	1	0,4
	Government of the Republic of Macedonia (+ministries)	16	24.182	109	0,5
	Secretariats in the Government of Macedonia	3	1.868	3	0,2
	Services of the Government of Macedonia	1	381	1	0,3
	Bodies that are part of the Ministries	45	4.591	49	1,1
	Independent state administration bodies	32	3.447	183	5,3
	Legal entities with public authorizations	9	1.577	58	3,7
	Public prosecutors council	1	8	9	112,5
	Public prosecutor's offices	29	457	197	43,1
Legislative government	Assembly of the Republic of Macedonia	1	282	121	42,9
	Regulatory bodies	10	375	55	14,7
	Independent bodies	12	739	89	12
	National Bank of the Republic of Macedonia	1	432	9	2,1
	Peoples Ombudsman of Macedonia	1	66	9	13,6
	Constitutional Court	1	23	9	39,1

Analysis of appointed and elected persons - Monitoring report

Local self-government	Local self-government units	81	5.677	1.509	26,6
	Legal entities w/ public authorization on a regional level	8	42	0	0,0
Judicial government	Judicial councils	2	44	22	50,0
	Courts	34	2.384	513	21,5
Public services	Public institutions	896	65.929	7.754	11,8
	Public enterprises	125	17.874	1.461	8,2
	State owned Joint-Stock companies	14		77	
	Joint-Stock companies where the Republic of Macedonia (Government) is a shareholder	5		19	
	Managers and members of SB of LTDSP (DOOEL)	5		15	
Total public administration		1.265	127.766	11.404	8,9
Total public sector		1.310	130.682	12.164	9,3
Total		1.334		12.275	

The table is compiled by authors, and data regarding the number of employees have been taken from the report within the Registry of Public Service Employees for 2016.

The data regarding the numbers of employees have been taken from the Report from the Registry of Public Service Employees for 2016.

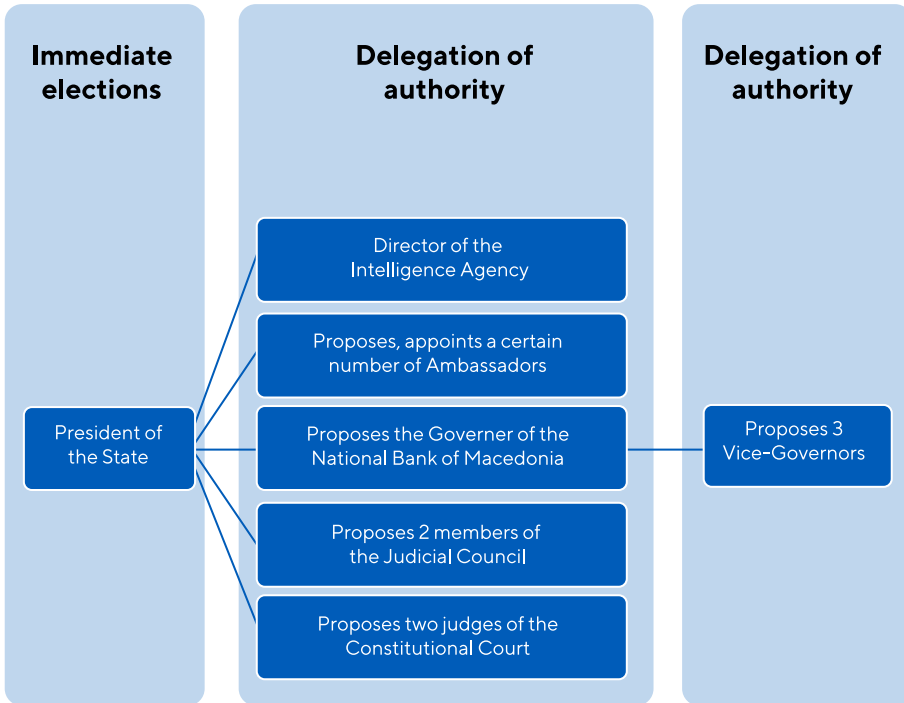
For the purpose of implementing the elections in the Republic of Macedonia, the State Election Commission establishes municipal electoral commissions and commissions placed at election posts. For the final elections in 2017, there were appointments of: 810 members of MECs, 81 secretaries of MECs and 81 deputy secretaries and 3480 election posts. In accordance with the local elections of 2017 – every election post has a President and 4 members who have their deputies, i.e. 34 800 members of commissions of election posts. Due to the temporary activity of these persons, these numbers have not been included in the table.

Due to doubling of offices, some positions that are filled as office, such as Judiciary Council members, the President of the Supreme Court and the Minister of Justice – have not been taken into consideration.

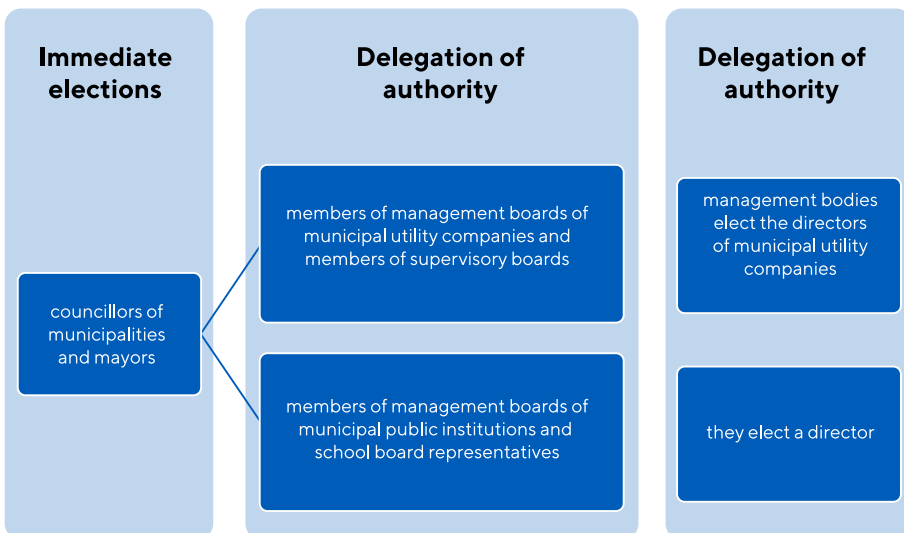
Although the Public Prosecutor is proposed by the Government and elected by the Assembly of the Republic of Macedonia, the position is included under Executive Government.

Annex 2:

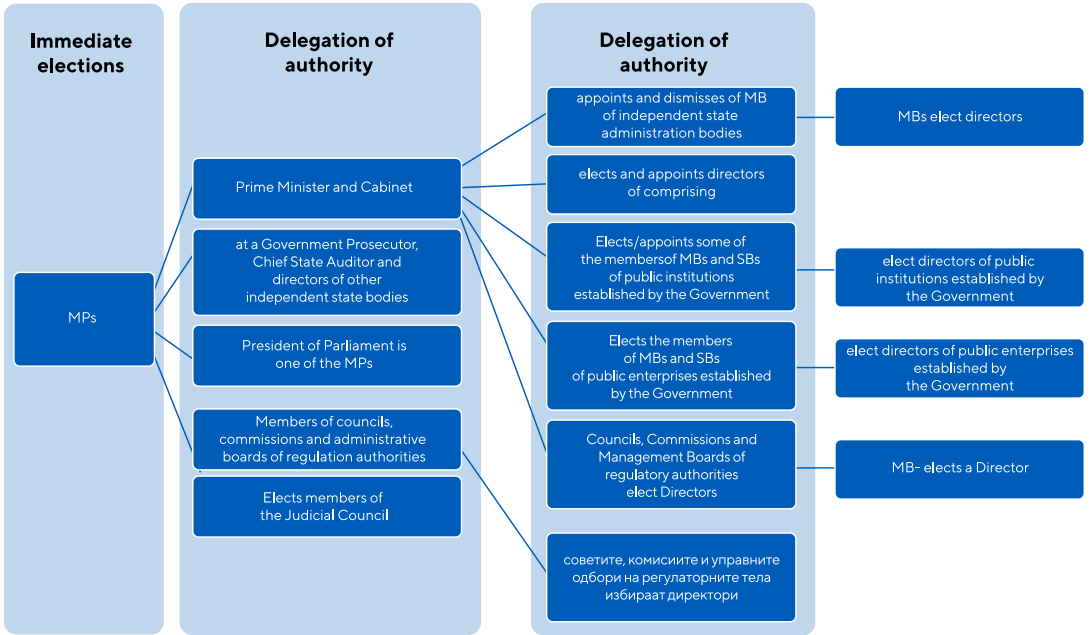
Structure related to delegation of authority by the President of the Republic of Macedonia



Annex 3. Delegation of authority at the level of local self-government



Annex 4. Delegation of authority of legislative to executive government



Analysis of appointed and elected persons - Monitoring report

Annex 5.

Overview of appointed and elected persons and number of public sector employees in institutions with fewer than 10 employees

		N	employees	Appointed/ elected persons	% appoint- ed/elected persons compared to employees
Executive government	Bodies comprising ministries	4	25	4	16,0
	Independent state administration bodies	3	27	13	48,1
	Legal entities with public authorizations	4	33	33	100,0
	Public Prosecutor's Council	1	8	9	112,5
	Public Prosecutor's Offices	18	104	83	79,8
Legislative government	Regulation authorities	2	6	9	150,0
	Independent state bodies	1	4	12	300,0
Local self-government	Local self-government units	5	44	61	138,6
	Legal entities with public authorizations on a regional level	8	42	0	0,0
Public services	Public institutions	70	389	454	116,7
	Public enterprises	31	170	326	191,8
Total public administration		128	740	912	123,2
Total public sector		147	852	1.004	117,8
Total		147		1.004	

