

The European Administrative Space as a Challenge for Public Administration Reform in the Republic of Macedonia

*Borče Davitkovski**

*Ana Pavlovska-Daneva***

UDK

Prethodno znanstveno priopćenje (preliminary scientific report)

Priljeno: 4. 12. 2010.

Prihvaćeno: 18. 3. 2011.

The concept of the European Administrative Space has been shortly elaborated. There are the sceptical and the optimistic standpoints with regard to the very existence of the EAS. A moderate stream of argumentation has been chosen in the paper as a theoretical ground for researching the state of affairs in the FYR Macedonia. Macedonia adopted the first Public Administration Reform Strategy in 1999. The aim was to build functionally decentralised, efficient and capable public administration that could serve as a reliable supporter of development of democratic and

* Dr. sc. Borče Davitkovski, professor of Administrative Law, University of Sv. Kiril and Metodij, Faculty of Law Justinijan Primus, Skopje, Former Yugoslav Republic Macedonia (redoviti profesor upravnog prava na Pravnom fakultetu Justinijan Prvi, Sveučilište sv. Ćirila i Metoda, Skopje, Makedonija)

** Dr. sc. Ana Pavlovska-Daneva, associate professor of Administrative Law, University of Sv. Kiril and Metodij, Faculty of Law Justinijan Primus, Skopje, Former Yugoslav Republic Macedonia (izvanredna profesorica upravnog prava na Pravnom fakultetu Justinijan Prvi, Sveučilište sv. Ćirila i Metoda, Skopje, Makedonija)

market-oriented society within the European community of nations. Three key areas of reform were the state administration, public finances, and protection of citizens' rights with regard to public administration. In October 2010 a new Draft Strategy for public administration reform was prepared. The Draft foresees activities with regard to amending the Constitution, establishing a new ministry responsible for public administration, regulatory guillotine, downsizing the Macedonian public administration, and information technology support to public administration.

Key words: public administration reform – Macedonia, European Administrative Space, strategic planning, administrative procedures, information technology, downsizing public administration, state administration

1. The Concept of the European Administrative Space (EAS)

In the widest form acceptable, we understand the concept of the European Administrative Space as an idea for unifying the administrations of the European Union member states, as well as candidate countries, at a higher, European level. This idea is as old as the scheme for the creation of the Union itself. The founding treaties, that served as the masts for the creation of the Union, foresaw a single Economic and Monetary Union (Euro as a single currency in EU member states), a collective security system (materialized through the CFSP, as well as the fact that most EU member states are also NATO members), a single Customs Policy, the regulation of cross-border cooperation, a European Law Enforcement Organization (EUROPOL), as well as a common European Court (the European Court of Justice). We are now witnesses to new common treaty – a treaty that has the characteristics of a constitutional act. Yet, it is very difficult for decision-makers to agree on a mutually acceptable model for state administrations within members states.

The development processes of administrative systems within EU member states has had a continuous route for a long time, and as such it would be an illusion to insist on a unification of the Swedish and Spanish administrative models, or the Greek and Polish models, for example.

It is a fact that the EU member states are autonomous in editing administrative issues, since their administrative systems have developed indigenously and autonomously, and are based on national traditions, administrative culture and the development of democratic systems within individual states. Therefore, the founding treaties of the EU do not regulate the issue of administrative organizational structures, or the issues related to the composition, size, and methods of functioning of public administrations. Such issues are left in the hands of national legislatures, which can modify them independently.

It must be pointed out (Olsen, 2002) that the EU, throughout its history, has confirmed that the existence of diversity in the organization of national administrative systems is legitimate and compatible with membership in the Union, and that various administrative arrangements equally contribute to the implementation of European legislation. Further on, it is assumed that the Union will not interfere with the internal administrative organization of its member states, as long as the obligations undertaken through membership are carried out, and common rules are respected.

Still, it is important to emphasize the fact that regardless of the absence of direct authority, the EU still has an influence over the methods through which members states organize their respective administrative systems. The Union puts forward common obligations that must be materialized through results, which in turn means that the members states are free to organize their administrations at their own discretion, but those administrations must lead the decision making process in a manner that would ensure a correct and appropriate execution of all obligations set by the Union, within the context of the realization of the aims of established policies (Fournier et al., 1998).

From the above stated we could conclude that in order to ensure any sort of unity within administrative systems, the EU member states have agreed not to insist upon uniformity of administrative systems but upon the standards and principles incorporated in various conventions, declarations, recommendations, and directives adopted by the Union's organs and bodies. These standards and principles would form a basis for building and developing administrative systems in the member states, as well as in the countries aspiring to join the EU.

Such standards and principles related to good governance, the protection of human rights and freedoms, a market-oriented administration, administration as a public service in the function of realizing the rights and freedoms of citizens, can be found in the *acquis communautaire*. The *acquis communautaire*

itself represents a collection of principles, methods of work, and methods of regulation of a varied amount of specific areas related to the area of administration, through which we can ensure uniformity in the work of diverse administrative systems in differently arranged systems of the member states.

The groundwork for the EAS is represented by the consensus that exists between member-states in terms of the basic components of good governance that include, above all, the principles found within the principle of rule of law, such as: reliability and predictability (legal certainty), openness and transparency, responsibility, efficiency, economy, and effectiveness (the three E principles), as well as technical and leadership abilities, organizational capacity and the participation of citizens in the decision-making process. Hence, it is correct to point out (Cardona et al., 1999) that the convergence of administrative structures and the development of the EAS represent a contrast to the systems of public administration that represent the specific identity, history and culture of the specific state and society. The European administrative space operates, and is based, on common European principles, rules and regulations that are applied in a unified manner within a relevant territory.

From the above mentioned it could be concluded that the idea of a common EAS arises from the already existing ideas pertaining to a common European economic space, as well as a common European social space. Many factors are important in the creation of standards for action within the framework of administrative structures, which are defined as the EAS. Thus, we emphasize the following important factors:

1. The development of the European system of administrative law through the judicial practice of the European Court of Justice;
2. The request that the *acquis* be respected, with an equal degree of confidentiality, within the entire territory of the EU;
3. An existence of consensus between members states in relation to the basic components of good governance;
4. The promotion of common principles and guidelines within legal values of public administration.

This means that the EAS includes a group of common standards, rules and principles for action within the framework of public administration, which are defined by law and practically applied in a responsible manner, through different procedures and mechanisms. In most cases, these standards and principles, which have been merged once again within the new Lisbon Treaty, are materialized through laws of the member states that regulate

the executive branch of government («administrative laws») such as the Law on Administrative Procedure, the Law on Administrative Disputes, the Law on Free Access to Information of Public Sector, and the Law on State Servants. Furthermore, these administrative principles are defined and affirmed through the decisions of national courts and the ECJ, thus building a common *acquis* that can be interpreted as an »informal *acquis communautaire*«, as it is currently not incorporated into any formal convention or recommendation. In any case, the principles of the EAS are part of, and represent, a common European administrative law (Cardona et al., 1999). The processes of European integration and the permanent contacts between public servants of national public administrations have brought forward certain »approximation« in the organization of administrative structures. Even though administrative reforms that are being conducted within member states, as well as nations that aspire for EU membership, are under the influence of already established institutional structures, tradition, and continuity, it is still important to reiterate (Bossart et al., 2001) that certain trends can be identified:

- A trend leading towards a more flexible and decentralized system of wages, as well as the implementation of elements oriented towards performance measurement;
- A trend leading towards a modernized system of employment, and the implementation of more effective competition measures within the private sector;
- Linking the systems for employee evaluation and performance oriented criteria;
- A trend leading towards more effective and increased training of state servants;
- A trend leading towards a decentralization of employee management;
- A trend leading towards methods of evaluation that focus on criteria such as motivation by employees and personal performances;
- A trend leading towards a heightened application of collective agreements, as well as social dialogue in terms of establishing the amount of salary and wages;
- A trend leading towards more flexible daily, weekly and even yearly working hours;
- A trend leading towards cost efficient pension plans;
- A reduction of the number of employees within public services;

- A reduction of structures within public services that are regulated on the basis of public law, and orienting the structural regulation towards norms set by private law;
- Enhanced equality between males and females.

There are theorists (Bossaaert et al.) that are sceptical in terms of the possibility of building a common EAS. These theorists argue that, to this point, there has not been any significant advancement in the course towards building a unified public administration model. However, there are experts that base their arguments on the constant contacts between the civil servants of the member states, as well as contacts between those civil servants and the civil servants of the European Commission. The aim of these contacts is the implementation of the *acquis communautaire* on the basis of equal standards of privacy on the entire territory of the EU, through which a wide system of European administrative justice is created, thus leading national administrations to work within unified standards that can be defined as the EAS.

Still, member states with different legal traditions and various systems of governance develop common doctrines and common viewpoints in relation to the principles of administrative law, the standards of good practice, as well as to the need for a unified and efficient application of EU legislation. The implementation of EU policies and the need for achieving specific goals and results forced upon the member states reforms of their respective administrative systems, and, through such a process, modifications of internal administrative structures, procedures and principles (Kadelbach, 2002).

Finally, it should be noted that there is still no unifying policy at the European level in terms of a model and method of organization for national administrative structures. It is fair to speak of approximation in certain areas and distancing of other areas, rather than a common EAS. However, administrative instruments that grant member states freedom in regulation are existent and more »popular« than instruments that provide specific administrative solutions in relation to the unification of administrative systems (Cardona et al., 1999; Kadelbach, 2002).

2. Macedonia and the European Administrative Space

A question that persistently imposes itself is: Where is the Republic of Macedonia (RM) within the framework of reforms that will guide it, or distance it, towards its Euro-Atlantic aspirations?

The Government of the Republic of Macedonia initiated a public administration reform (above all, with the aim of forming a better organizational structure of the executive branch in accordance with the Constitution of 1991) by adopting a Public Administration Reform Strategy.¹

2.1. Motives for implementing the Reform

The basic motive for conducting the public administration reform, according to the Government of the Republic of Macedonia, is further development of Macedonian society and the support to the developing market-oriented economy. In other words, stability and continuity of the state can only be attained through the development of a democratic public administration. Thus, the role of the public administration system in Macedonia (a nation still in transition) has a larger influence on and responsibility for the allocation and understanding of the developing societal needs.

The Strategy (p. 3) indicates the importance of capable public administration for redefinition of the role of the state, the development of market economy, and the development of regulatory functions. There is a need for developing new and necessary capacities and skills within public administration through which it will become capable of supporting its own growth. A question that must be asked is how will this concrete motive for a fundamental change of the position and role of public administration within the political system, which should transform it from state (classic) administration to a decentralized (in a functional manner) administration (an administration as a system of public services), be achieved?

It is very difficult to find an answer to this question, or to see how this determination (one that is quite radical, contemporary, and revolutionary) will be operationalised, within the text of the Strategy.

It would also be fair to mention the »survival« of Macedonia within the international community, as a reason for the implementation of the Strategy. A great value is put on the Macedonian accession to the EU as a long-term strategic goal; especially taking into account the fact that this would mean a much needed economic integration into the Union. One of the conditions for accession to the EU is the fulfilment of criteria related to a modern and professional public administration system, and it is important to point out that economic integration foresees a competitive

¹ The Strategy was adopted at a Government Session in May 1999.

administration capable of helping to establish conditions for the development of a competitive market.

Integration of Macedonia into global economic trends and collaboration with international financial institutions, above all the World Bank (WB) and the International Monetary Fund (IMF), is the most important motive for implementing public administration reform. If the entire text of the Strategy is analysed in detail, it becomes obvious that the entire public administration reform has been prepared and is being conducted under the pressure of the mentioned institutions (PHARE programme). Even the Review of the conditions of state administration (given in Appendix 1 of the Strategy) has been prepared by the WB and the IMF.

2.2. The Aims of Public Administration Reform

From the basic reasons for reforming the Macedonian public administration, we can conclude that the fundamental aim for the reform is to enhance the structures and processes within public administration, through which it can become more efficient in supporting the development of a democratic society and successful market economy.

This means that public administration reform in Macedonia, as mentioned in the Strategy (p. 7), should ensure the development of a Macedonian public administration system with the following basic characteristic:

1. A small public administration, or a lean state with an altered nature of state intervention aimed at, above all, regulatory and monitoring functions;
2. A simply structured public administration system in accordance with the principle of parliamentary democracy – the smallest possible number of separated structures that are not under the auspices and responsibility of a body whose head official has direct parliamentary responsibility.
3. A democratic administration that, within the framework of the Constitution, is governed by the law when exercising its public authority and using the resources allocated to it;
4. Protection of public administration from political and other interests when executing its authority through transparent mechanisms by independent bodies;
5. A responsive, citizen-oriented public administration, which acts as an efficient service of citizens and legal entities in the realization of their rights;

6. A de-concentrated public administration model.

Using these basic characteristics of public administration, we can distinguish the basic principles for functioning of the new public administration system: Rule of law; Transparency; Competitiveness; Stability; Responsibility; Predictability (legal certainty); Equal treatment of users; Efficiency; An ethical approach.

Even though from a long-term perspective these aims are consistent and necessary for the functioning of democratic institutions within the state, they can, from a short-term perspective, generate conflicts that require adequately chosen compromises, adequately chosen approaches towards reform, as well as a selection of short-term action priorities. We should not underestimate the role of the »reformed« bodies of general state, which should ultimately act (along with the Government and government commissions for public administration reform) as the bearers of their own reform. To this point, international and Macedonian experience related to this issue points to the fact that the existing administration tends to put the »brakes« on any potential reform. Nobody wants to endanger their own position.

Still, it is necessary for the Government to ensure a balanced approach that will maintain and take into consideration strategic needs, or in other words an orientation towards citizens and legal entities (companies, etc.), which will form the basis for further reform of public administration within the parameters of a selective-radical reform method. The development of democracy and market economy entail providing the prerequisites for successful operationalisation. From the aspect of public administration, it means excelling the quality of services, and turning public administration into a successful service for citizens and legal entities, which will in turn develop the market economy.

1. Public administration reform should be in accordance with, and interpreted as a complementary part of, the European integration process. Even though the EU does not have direct competences in relation to the organization of government and public administration of the member states, membership and accession both assume the existence of certain qualities and capacities of the national public administration. To achieve EU membership it is necessary to fulfil the Copenhagen criteria,² as well as to meet certain standards in terms of public administration.³

² Adopted at the European Council meeting in Copenhagen, June 1993.

³ The conclusions of the European Council meeting cited that the following criteria must be fulfilled by the states aspiring to join the EU:

2.3. Areas of the Public Administration Reform

The Public Administration Reform Strategy, as a reform activity towards a structural and functional adjustment of public administration, mentions the following areas:

1. The state administration system;
2. The public administration system in a wider sense;
3. The local self-government system;
4. Re-defining the role of the state;
5. Realizing and protecting citizens' rights;
6. Re-structuring public finances; and,
7. The development of an IT system.

However, no reform can be applied at once in all areas. As such, the Government should establish priorities in areas where an initial reform phase should be initiated on one hand, while also establishing a balanced quantum of short-term, mid-term and long-term needs for reform on the other.

Hence, the following areas are suggested as key priorities:

1. The state administration system;
2. Re-structuring of public finances; and,
3. Realizing and protecting citizens' rights.

It is fair to note that rendering bodies competent for strategic management of the reform process functionally operational, as well as the realization of the reform process and establishment of an administrative structure to conduct the reform, is an utmost priority within the public administration reform. This means that the training of public administration and raising its self-awareness in order to avoid self-implosion, self-abolition and self-reduction is crucial. This part of the reform, which is of a vital priority, will be the most difficult to implement. The analyses of previous experience (national and international) related to this material confirm it.

-
1. Stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
 2. The existence of a functioning market economy and the capacity to cope with competitive pressure and market forces within the Union;
 3. Ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union.

One of the areas of reform is redefining the role of the state, which means changing the nature of state intervention in this area. Long-term goals consist of the following:

1. Reviewing the possibility of transferring certain functions from the public to the private sector, or the possibility of implementing market oriented elements within the framework of the public sector;
2. Simplifying the legislation, so that the regulative functions of the state could be accomplished in an easier manner;
3. De-concentration of the state competences.

Within the framework of this area of the reform process, steps should be taken towards redefining the role and position of public enterprises, as well as towards a clear separation of activities that are of a particular public interest from those that are conducted as free market competition. This should lead to the final process of privatizing parts of these public enterprises.

We would also like to draw attention to the part of the Strategy (p. 27) related downsizing public administration. As noted, Macedonia as a nation still in the process of transition, cannot bear the burden of its administration i.e. the number of full time employees in the public-sector should be downsized approximately 50 per cent. The number of employees, which is approximately 94,000, should fall to approximately 47,000.

It is important to mention the determination established within the Strategy that the public administration reform and redefinition of the role of the state should be conducted parallel with the downsizing of the public sector, which requires a lot of planning. Setting the targets and aims is not recommended for the process of downsizing the number of employees. A more effective strategy would entail conducting the reform in crucial sectors on a yearly basis, and making sure that the results in those specific sectors produce an effect.

3. Continuing the Reform

In October 2010, a new Draft Strategy for Public Administration Reform was prepared as part of the Project for Strengthening the Capacities of the General Secretariat of the Government, within the IPA (Instrument for Pre-Accession) Operative Program for Transition Assistance and Institutional Building of 2007.

The Strategy precisely identifies the following key weakness in public administration:

- Involvement of political parties and abuse;
- Incompetence (especially among top-echelon staff);
- Weak capacities for implementation of laws;
- Closed approach towards citizens and companies, as well as the inexistence of transparency within procedures.

The general remark, in relation to the Draft Strategy, is the Government's non-existent political will to find wider dialogue in terms of the most important issues related to conducting the reform. Evidence in relation to that is that on 22 October 2010 a Draft amendments to the Law on the Organization and Work of the State Administrative Bodies, which must be adopted with a 2/3 majority, was sent to the Assembly without any previously conducted analysis, public debate, or any sort of consultations. Nevertheless, the Action Plan for the Implementation of the Strategy, which has been prepared, but is yet to be adopted by the Government, foresees these legislative changes for the end of 2011.

An attention-grabbing fact is that within certain parts of the Draft Strategy there are entire chapters where the Government criticizes the legislative changes made in 2008 – changes proposed by the exact same Government in relation to the Law on General Administrative Procedure (LGAP).

In the following part of this text, our analytical viewpoints, related to the Draft Strategy for reform of the public administration, from 2010, will be conveyed.

3.1. Constitutional Amendments Necessary for the Implementation of the Strategy

The Draft Strategy foresees amendments to the Constitution, in the area related to the method for adopting certain legal acts. In accordance with the specific concept, the obligation to secure a 2/3 majority in the Assembly in order to adopt (amendments to, or a new Law) the Law on Organization and Work of the State Administrative Bodies (LOWSAB), the LGAP, the Law on Courts, and the Law on Administrative Disputes⁴

⁴ »Finally, from a systematic point of view, it is disputable whether the current constitutional solution is adequate, taking into consideration the necessary majority in the Assembly

will be terminated. Considering the constitutional principle of division of powers, it seems expedient to allow the executive branch (the Government as its main bearer of power) to define the organizational structures of state administrative bodies. The 2/3 majority is used only for establishing the number and structure of Ministries, while all the other government bodies (except courts) are established, organized and abolished by laws that are adopted with a simple majority. It is important, in support of this argument, to state the fact that such a solution is used in the legislative practice of many European countries.

3.2. The Necessity of Establishing a New Ministry for Public Administration

When analyzing comparative experiences of European states, we can conclude that Macedonia will be the first state in which public administration reform will become the responsibility of the Ministry of Information Society. In some countries, there are Ministries that have competences exclusively within the area of public administration: France, Belgium, Luxembourg, Italy, Spain, Croatia, and Slovenia. Other countries apply a model similar to Macedonian, i.e. independent organs (outside of the framework of the Government) for public administration: the Czech Republic, Poland, Slovakia and Lithuania. A third model is the one where public administration is in the competence of the Ministry of Finance or Ministry of the Interior: Germany – Ministry of the Interior; the Netherlands – Ministry of the Interior and Kingdom Relations; Greece – Ministry of the Interior, State Administration and Decentralization; Ireland – Ministry of Finance; Denmark – Ministry of Finance; Portugal – Ministry of Finance and State Administration.

for adopting important legislation in the areas of public administration and judiciary (a necessary 2/3 majority for the Law on Organization and Work of the Bodies of State Administration, the Law on General Administrative Procedure, the Law on Courts, and the Law on Administrative Disputes). In accordance with the constitutional principle of division of powers, a better solution would be the one where only a simple majority is necessary for amending and/or passing new legal acts in this area. This would require constitutional amendments, but would, in turn, produce the following result: a) Alignment with the constitutional principle of division of powers; b) heightened flexibility for the Government (as a separate part of the executive branch) to define its own organizational structure; and c) An enhanced functioning of state authority in accordance with comparative European legislation.« (p. 29).

The model for the formation of a new Ministry of Information Society and Administration, as a new institution, is not specified within the Strategy,⁵ while the concept can be examined through the Draft Law for amending the LOWSAB, which was put into the legislative procedure before the Assembly. New competences of the Ministry of Information Society leave room for worry, because this Ministry, in accordance with the LOWSAB and its draft amendments, does not have competences like any other government body. Quite the contrary, it has many declarative competences that do not require a separate Ministry to be implemented. Nevertheless, with the draft amendments, the Ministry of Information Society and Administration will be granted competences that are currently in the hands of a body belonging to another ministry, and those competences will not be removed from the latter body. Thus, the proposer of these amendments (the Ministry of Justice) foresees the parallel existence of a State Administrative Inspectorate within the Ministry of Information Society and Administration, and a State Administrative Inspectorate as a body within the Ministry of Justice. The entire Macedonian expert community is confused and does not understand the difference between these two inspectorates, nor the manner in which they will function and work in a parallel form. It is obvious that there will be a serious overlap of responsibilities between these two bodies.

3.3. Grades in Terms of »Regulatory Guillotine«

In the part related to the grades of regulatory guillotine, the Strategy explicitly lists the solutions implemented with amendments to the LGAP of 2008, which at the time were promoted, by the Government and Ministry of Justice, as the highest-value reforms in the history of administrative justice, as »changes that caused unacceptable systemic consequences ... changes whose result was not in accordance with the original intention«, etc.

1. There is an identified need for reforming the principle of *silence of administration*, which represents an open criticism to the legal solution adopted with the amendments to the Law on basic administrative procedure in 2008, according to which declarative silence of administration represents an approval of a request;
2. The Strategy contains serious criticism towards the solution according to which the appeal in an administrative procedure is not a

⁵ »In accordance with the Government Decision on transfer of competences related to public administration to a new institution, the functions and resources of the Agency shall be transferred to a new institution responsible for public administration.« (p. 44).

rule, but rather an exception – another novelty adopted with the amendments to the LGAP of 2008 on the basis of individual viewpoints and observations of the proposer – the Ministry of Justice;

3. The Strategy contains a conclusion on the inefficiency and political decision making by the Government Commissions that decide in administrative procedures of the second instance, and provides a solution where they would be substituted by specialized bodies and authorities.

All of the mentioned conclusions in the Draft Strategy are realistic and deserve practical implementation, through which Macedonia will fulfil the standards and principles of a functional public administration, which are applied and practiced within the EAS.

3.4. The Necessity of Downsizing the Macedonian Public Administration

In relation to the thorniest issue related to the Macedonian public administration, the Draft Strategy foresees a rationalization of public administration, but does not provide the volume and measures towards it. At the same time, this document mentions rationalization within the state administration even though the problem of over-employment is more accentuated within public services that are part of the wider concept of public administration (health, education, social services, etc.), rather than the state administration. At the central and local levels, state administration accounts for only 10 per cent of the entire public administration. Furthermore, the method and intensity of the downsizing of state administration foreseen in the Draft Strategy is not in accordance with realistic needs. The Draft Strategy foresees a 1 per cent downsizing of state civil servants on a yearly basis, which is to be accomplished through natural outflow.⁶ The Draft Strategy hints at a possibility for simplification of the legislation related to laying off state servants⁷, which in Macedonian conditions

⁶ »... the target is to achieve this rationalization through a sustainable reduction of the number of employees within this sector on a 1per cent yearly basis (firstly, employees that leave the state administration will not be replaced, and public administration shall be reorganized). Certain active measures towards human resources management will be taken, leading to a cease in future unnecessary employment in the state service.« (pp. 12–13).

⁷ »... the procedure for termination of employment within public and state administration remains complicated and lengthy« (p. 45). »... The procedure for terminating employ-

of widespread politicization of public administration, could represent a two-edged sword, and could serve as a legal basis for political retaliation within public administration expressed through the phrases »incompetent performance«, »insufficient results achieved«.

The proposed solution found within the Strategy will not solve the biggest problem: rationalization of public administration. If the optimal size of the public sector should be approximately 70,000 employees, the anticipated downsizing of 1,300 employees per year will lead to that optimal number in 45 years. Rationalization of public administration is a necessary condition for the strengthening of its efficiency, as well as for its professionalization and depoliticization. In relation to the announced amendments to the Law on State Administration, which will provide for simplified rules for laying off state servants, we argue that such a solution is not justified, as public servants are quite susceptible to political pressure, and as such should be protected through specific legal mechanisms that currently exist within Macedonian legislation, but are not adequately applied. The relativity of these legal mechanisms could lead to legitimization of bad practices of further politicization of the Macedonian public administration.

3.5. Comments Related to the IT Aspect of the Strategy

Recommendations for the use of IT technology are given in two chapters: capacity building and implementation. It is important to single out the following activities:

- The introduction of an IT support system for notifying on decisions brought on time in administrative procedures and action plans, with the intent of eliminating the current situation of numerous unsolved cases;
- The introduction of a »barometer of quality« with IT support – a system that constantly measures users' satisfaction with administrative services;
- A simplified method of payment for administrative services: the possibility of paying at the location where the service is received through modern methods of payment (cash, credit or debit cards, e-payment, etc).

ment of unskilled state servants, defined by the Law on State Civil Servants, shall be adjusted in accordance with the conditions set in general legislation on labor relations.« (p. 47).

These activities are made operational in the following manner:

a) Program for reforms (results and shortcomings)

A Single National Electronic Register of Regulations (SNER) represents an electronic system that contains the existing legislation, as well as draft laws of ministries (proposers) that are in the preparatory phase. SNER would be functional and allow all interested parties to submit comments and suggestions to relevant institutions electronically:

b) Capacity building and implementation

- Adopting laws and an additional administrative framework in accordance with the Law on Electronic Governance, so that e-government can be benefited from;
- All laws and bylaws must be accessible through the Internet in consolidated versions;
- Precise administrative procedures and quality in carrying out the services, which should be followed by a business restructuring of the processes so that the necessary electronic solutions can be carried out;
- Additional development of horizontal solutions that will be provided by the new institutions competent for public administration, and all public administration bodies (such as a common web-portal for e-governance, e-applications, e-identification, e-payment, e-delivery, etc.);
- The establishment of an administrative system with electronic documents for all public administration bodies;
- Info-centre located at one place (portal and telephone centre), so that citizens and business have easier access to it.

The following key activities are planned until the end of 2013:

- The introduction of Internet services for businesses (ten services depending on the preferences of the business community) after a thorough analysis of the appropriate procedures;
- The introduction of five integrated Internet services that have a high degree of influence on citizens (implementation, payment, integration of information, delivery of administrative decisions and documents);
- Internet services that allow administrative bodies access to information from registers necessary for deciding in administrative

procedures, with the aim of exchanging information rather than having users (individuals and businesses) submit the documents;

- The implementation of proactive services targeted at users, with an intensive use of documents in electronic form;
- Increased budget towards the realization of projects for E-Government services, with a specific accent on the interoperable framework in accordance with the EU suggestions;
- Raising awareness of E-government services and training of qualified project managers, as well as continuous training of state servants on the uses of E-government;
- Fully developed and implemented framework for interoperability of public administration.

This specific part of the Draft Strategy is packed with specialized terms and phrases that have no specific significance to the public administration reform. Certain terms are not even used in Macedonia. Most of the possibilities (legally, as well as technically) are in existence, but are not applied in practice. The procedure for business process reengineering (BPR) should be a first step, not a final step, as the Government suggests. Only after the BPR is defined can the administrative procedures be specified.

4. Conclusion

In the last 10 years, Macedonia has seen a large part of the Public Administration Reform Strategy of 1999 implemented. Many laws were adopted that from a formal aspect contained all of the principles and standards found within the *acquis communautaire*. In the meantime, many western European nations began applying the new standards and principles that, through the yearly EC Report (specifically the part pertaining to public administration), reminded us on the conditions that should be accomplished for a smooth, efficient and depoliticized functioning of public administration. In 2010, the Government prepared a new Draft Strategy for public administration reform.

Still, for the realization of the established goals our legislation must be harmonised with European principles and standards. Conducting legal harmonization is the most difficult part of public administration reform. The implementation of these standards in real life is the most challenging area of the reform. As this is the most difficult phase, it is necessary to find political will among all the relevant political actors in the state, to change the current

functioning of public administration in accordance with the principles and standards of the EAS, as well as to adequately inform citizens on the novelties related to the methods of work and behaviour of public administration. Even if political will and consensus is achieved for *bona fide* reform, and citizens are adequately informed, the most difficult task is to be our second point: changing the administration itself. For this to be achieved, we need education of administrative personnel, in-service training, and stimulation of self-reform within public administration – a task that might prove difficult under the current politicized conditions in public administration.

References

- Bossaert, D., C. Demmke, K. Nomden, R. Polet (2001) *Civil Services in the Europe of Fifteen*. Maastricht: European Institute of Public Administration
- Cardona, F. et al. (1999) *European Principles of Public Administration*. SIGMA Paper no 27. Paris: SIGMA-OECD
- Fournier, J. et al. (1998) *Preparing Public Administrations for the European Administrative Space*. SIGMA Paper no 23. Paris: SIGMA-OECD
- Kadelbach, S. (2002) *European Administrative Law and the Law of the Europeanized Administration*. In: C. Joerges, R. Dehousse (eds.) *Good Governance in Europe's Integrated Market*. XI/2, 167-206, *Collected Courses of the Academy of European Law*, Oxford University Press
- Olsen, J. (2002) *Towards a European Administrative Space?* ARENA Working Papers, WP 0202/26

THE EUROPEAN ADMINISTRATIVE SPACE AS A CHALLENGE FOR PUBLIC ADMINISTRATION REFORM IN THE REPUBLIC OF MACEDONIA

Summary

The concept of the European Administrative Space has been shortly elaborated. There are the sceptical and the optimistic standpoints with regard to the very existence of the EAS. A moderate stream of argumentation has been chosen in the paper as a theoretical ground for researching the state of affairs in the FYR Macedonia. Macedonia adopted the first Public Administration Reform Strategy in 1999. The aim was to build functionally decentralised, efficient and capable public administration that could serve as a reliable supporter of development of democratic and market-oriented society within the European community of nations. Three key areas of reform were the state administration, public finances,

and protection of citizens' rights with regard to public administration. In October 2010 a new Draft Strategy for public administration reform was prepared. The Draft foresees activities with regard to amending the Constitution, establishing a new ministry responsible for public administration, regulatory guillotine, downsizing the Macedonian public administration, and information technology support to public administration.

Key words: public administration reform – Macedonia, European Administrative Space, strategic planning, administrative procedures, information technology, downsizing public administration, state administration

EUROPSKI UPRAVNI PROSTOR KAO IZAZOV REFORMI JANE UPRAVE U REPUBLICI MAKEDONIJI

Sažetak

Ukratko se objašnjava koncept europskog upravnog prostora. Navode se skeptična i optimistična gledišta o postojanju europskog upravnog prostora, a autori kao teorijsku podlogu istraživanja situacije u Makedoniji odabiru srednji stav. Makedonija je usvojila prvu Strategiju reforme javne uprave 1999. Cilj je bio izgraditi funkcionalno decentraliziranu, učinkovitu i jaku javnu upravu koja može biti pouzdan oslonac razvoju demokratskog, tržišno orijentiranog društva unutar europske zajednice zemalja. Tri ključna područja reforme bila su državna uprava, javne financije te zaštita prava građana u odnosima s javnom upravom. U listopadu 2010. pripremljen je nacrt nove Strategije reforme javne uprave. Kao područja reforme, nacrt predviđa izmjene Ustava, utvrđivanje novog ministarstva nadležnog za javnu upravu, regulatornu giljotinu, smanjenje javne uprave te informatičku podršku upravi.

Ključne riječi: reforma javne uprave – Makedonija, europski upravni prostor, strateško planiranje, upravni postupci, informatička tehnologija, smanjenje javne uprave, državna uprava