

American Chamber of Commerce  
North Macedonia

## Rule of Law Position Paper: Policy Actions

### Recommendation

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Improve the institutional capacity for formulating and implementing public policies

The Strategy for Reform of Public Administration 2023-2030 notes that the quality of the implementation of the regulatory impact assessment procedure, as one of the most important stages in the process of creating public policies, is unsatisfactory and this determines the quality of public policies (MISA, Strategy for Reform of Public Administration 2023-2030, 2023). Furthermore, based on the World Bank data on stakeholders' perception of the government's ability to formulate and implement sound policies and regulations, although the country shows a relatively better score than non-EU countries from the Western Balkans, there is a need for improvement compared to EU countries (World Bank, WGI Regulatory Quality: Estimate, 2022). Improving institutional capacity, with a particular emphasis on human resources and organizational structures, for formulating and implementing public policies is essential for effective governance. It ensures that policies are responsive to current needs and resources are used efficiently. By enhancing the formulation and implementation of public policies, the country can foster a culture of accountability and transparency, which are essential components of the rule of law.

### Actions:

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- Provide regular comprehensive training programs on the policy drafting process, with a particular focus on conducting regulatory impact assessments, for public officials at all levels involved in these processes.
- Initiate the conduction of a regulatory policy scan of the country based on the OECD methodology to assess the country's regulatory management capacity and to ensure it supports efficient policy formulation and implementation.
- Enhance policymaking oversight and quality control, including by transferring these responsibilities to another governmental level to create conditions for binding recommendations.
- Advance the collaborative framework among public institutions responsible for policy development and the State Statistical Office to enhance data collection, analysis, and dissemination.
- Partner with relevant stakeholders, particularly the private sector, to identify and share necessary data to inform policy decisions.

- Closely collaborate with and invest in research institutions and think tanks that can provide high-quality policy analysis and recommendations for the policy-making process.
- Invest in digital tools and platforms to leverage artificial intelligence and enhance policy development processes.
- Engage in international partnerships, especially with the OECD and the U.S. Department of State, to learn from global best practices and adapt successful models to the local context.

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Advance the public policy consultation process

The current state of public consultations in North Macedonia shows mixed progress. While the government has made efforts to involve stakeholders, challenges persist, especially with respect to bringing the business community to the table. The Unique National Electronic Register of Regulations (ENER) is a valuable tool but is underutilized, particularly for by-laws, which are rarely published. Furthermore, in 2023, 52% of laws submitted to the Assembly were not published on ENER despite obligations to do so (source: [www.ogledalonavladata.mk](http://www.ogledalonavladata.mk)). Additionally, high levels of informal consultations lead to inconsistencies and a lack of transparency, allowing certain groups undue influence and undermining policy legitimacy. Transparent and timely, and meaningful stakeholder inclusion enhances legitimacy, eases policy implementation, and ensures policies serve the public interest. Stakeholder engagement helps identify real needs and priorities, ensuring policies are accurately targeted while promoting transparency and accountability.

**Actions:**

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- Implement stricter requirements for the publication of all laws and by-laws on the Unique National Electronic Register of Regulations (ENER) to increase transparency and accessibility.
- Formalize stakeholder consultation processes at all stages of policy development by developing clear guidelines for relevant public institutions on conducting formal consultations, with a particular focus on organizing systematic meetings with the private sector when relevant.
- Ensure that feedback from public consultations is systematically integrated into the Regulatory Impact Assessment Report, and provide explanations when feedback is not adopted.
- Introduce a requirement for all ministries to make Regulatory Impact Assessment Reports publicly available

and formally submit them to the Assembly of North Macedonia.

- Introduce a strict mechanism to ensure that stakeholders are familiarized with the amendments after completing the public consultation process to prevent the enforcement of provisions that were not presented to the relevant stakeholders beforehand.
- Establish mechanisms to monitor and report on the consultation process and outcomes to ensure accountability.
- Improve the Unique National Electronic Register of Regulations (ENER) by:
  - Notifying stakeholders when new versions of public policies are uploaded.
  - Ensuring public consultations at all stages of policy development, from problem identification to the consideration of different alternatives for solving public issues.
  - Presenting a correspondence table when publishing a draft of the law that includes the transposition of EU acquis to create conditions for stakeholders to participate more constructively.
  - Enabling the possibility of extending deadlines for submitting comments when necessary.
- Ensure regular and timely publication of information about the initiation, progress, and completion of policy-making processes on the websites of relevant institutions or ENER.
- Provide regular training for public servants at all levels (political and technical) on effective stakeholder engagement and consultation practices.
- Support initiatives aimed at enhancing stakeholders' familiarity and knowledge of policymaking processes, particularly for private sector professionals, to ensure their meaningful engagement.
- Create a platform for dialogue between the government and business community representative bodies, similar to the existing platform for cooperation with the NGO sector.
- Conduct public campaigns to inform stakeholders about consultation opportunities and the importance of their participation, providing an understanding of the entire policy development cycle.

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Ensure the predictability and practicability of regulatory initiatives

Ensuring the predictability and practicability of regulatory initiatives is essential for economic stability and public trust. According to an internal analysis by the American Chamber of Commerce in North Macedonia, only 12%, or 15 out of 124 laws included in the annual work program of the Government were adopted in 2023. This discrepancy highlights significant issues with planning, transparency and accountability for publicly stated commitments. Predictable regulatory initiatives foster a stable environment for businesses and investors, allowing them to make informed decisions and allocate resources efficiently. A coherent and harmonized legal framework provides clarity and consistency in legal interpretation and enforcement, prevents conflicts between regulations, and ensures that fundamental laws and constitutional principles are upheld, thereby maintaining the integrity of the legal system.

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**Actions:**

- Ensure strict adherence to the government's annual work program by ministries to minimize the adoption of laws outside the program, including determining the conditions under which regulations can be adopted outside the work program.
- Conduct stakeholder consultations during the preparation of the government's annual work program to enhance its quality.
- Establish a system for gradually introducing regular ex-post evaluation of regulations to assess goal achievement, identify unintended consequences, eliminate outdated provisions, resolve legal uncertainties, and enhance accountability and transparency, ensuring legal certainty and building public trust, beginning with the following laws:
  - Law on Consumer Protection,
  - Law on the Prohibition of Unfair Trade Practices in the Supply Chain of Agricultural and Food Products,
  - Latest amendments to the Law on Obligations and the Enforcement Law,
  - Law on Foreigners and the Law on Employment and Work of Foreigners.
- Improve the capacities of the Legislation Secretariat for reviewing proposed regulations to ensure better coherence and consistency with existing laws and accurate transpose of the European Union acquis.
- Ensure that the policy development process always considers relevant case law in the specific area.



- Expand the authorization to request an authentic interpretation of laws to include other representative structures, such as business associations, civil society organizations, and similar entities.
- Enhance communication and collaboration between different governmental bodies to ensure cohesive and harmonized regulatory efforts.