



Monitoring Matrix on Enabling Environment for Civil Society Development

Country Brief for North Macedonia 2024

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Executive summary

Civil Society Overview

	2024
Number of registered organizations	12684 organizations
Human resources (employees and volunteers)	1813 employees
Relevant changes in legal framework	Law on association and foundation law on civil liability for insult and defamation
State funding (from the Government, governmental bodies and local governments)*	918.389.266 MKD (approx. 14.8 million EUR) or 8.8% of the total income of CSO's
Main civil society laws	Law on Associations and Foundations
CSO-Government Cooperation (relevant body/consultation mechanism)	Council for Cooperation with Civil Society and Government
Key challenges	1.The comprehensive reform of the system for state funding for CSOs has progressed slowly 2.Criminal code poses certain risks to the freedom of association. 3.Law on Donations and Sponsorships in Public Activities should be amended so that the procedure for donations is more stimulating. 4.Cutting of the state funding for CSOs from the Budget of the General Secretary 5.The inclusion of CSOs in decision- making processes should progress in practice. 6.Not perceiving CSOs as a real partner by the state institutions. 7.Boycott of the Council for cooperation of the Government with CSOs

*Starting with this year's report MCIC is collecting the state funding data both on central and local level. Up to now the data was only from the Government and governmental bodies.

Key findings

Key findings of the country brief

1.	CSOs in North Macedonia continue to operate in an enabling environment, but there are areas where improvement is needed. Freedom of association is guaranteed for all in legislation and exercised in practice without limitations. In 2024, North Macedonia experienced a continued surge in Strategic Lawsuits Against Public Participation (SLAPPs), posing significant threats to freedom of expression and civic engagement.
2.	The comprehensive reform of the framework for state funding for CSOs has not progressed at all in 2024. State funding continues to be insufficient source of income for CSOs and only available for a limited number of organizations. The lack of available funding is a serious challenge for CSOs. Also, the fiscal treatment of civil society organizations (CSOs) in North Macedonia remained largely unchanged.
3.	The boycott by members of the Council remains in effect, serving as a clear indictment of the authorities' and critic that throughout 2024 have continued failure to reinstate standard budgetary allocations of the section 463 of the Budget. This underscores the systemic deficiencies in state–civil society relations. At the end of 2024, a series of developments emerged, notably the initiation of processes to establish a new Council for Cooperation.
4.	As of 2024, no substantive progress has been made on the revision of the Law on Donations and Sponsorships in Public Activities, notwithstanding earlier commitments to pursue this process in consultation with civil society organizations. While a dedicated working group within the Ministry of Justice remains active, the year saw no meaningful developments on this front.
5.	The government did not enhance its efforts to incorporate civil society engagement into priority areas and consultation processes. Despite formal consultation mechanisms like ENER and mandatory timelines, only 35% of laws requiring public input were opened for consultation in 2024, with only 35 out of 101 required draft laws published in 2024. This compares to 51.4% in 2023, 37% in 2022, 41% in 2021, and 49% in 2019.
6.	According to the survey, 25 organizations (33%) reported that they were unable to obtain the information they requested. Regarding freedom of expression, 20 organizations (8%) expressed fear for their safety as civic activists. Additionally, 15 organizations (6%) reported having their communication channels, such as social media or email accounts blocked. Another 15 organizations (6%) stated that they faced persecution for participating in online groups, while 30 organizations reported experiencing various forms of attacks and intimidation.

Key recommendations

Key recommendations of the country brief

1.	The long awaited and discussed comprehensively reform to the state funding for CSO to continue in 2025 and the proposed model to be reviewed and amended to the LAF. The process to be open and transparent for discussion for the issue. Freedom of expression must be reinforced through legal and institutional measures, while administrative burdens and digital access gaps should be addressed to ensure equitable operating conditions. The persistence of SLAPPs underscores the urgent need for North Macedonia to align its legal framework with European standards, ensuring robust protections for freedom of expression and safeguarding democratic participation.
2.	The process of reforming the state funding to accelerate, along with the ongoing revision of the Law on Donations and Sponsorships in Public Activities, incorporating all relevant amendments. The goal to be to improve the financial sustainability of civil society in North Macedonia, simplify fiscal regulations and increase guidance to help CSOs better access tax benefits. Administrative procedures related to VAT exemptions, financial reporting, and access to domestic and foreign funding should be streamlined. Reforms to labor and tax laws should reduce the burden on CSOs engaging in economic activities.
3.	To improve transparency and trust in public funding for CSOs in North Macedonia, authorities should establish clear, consistent, and enforceable procedures for grant distribution, including mandatory publication of criteria and results. Proportionate oversight mechanisms tailored to the nonprofit sector should replace the blanket application of public-sector penalties, ensuring accountability without discouraging civic engagement. Strengthening monitoring and enforcement of financial reporting, while revising the Criminal Code to reflect the distinct nature of CSOs, is essential.
4.	A proper legal framework governing service-providing CSOs should be drafted and adopted. To ensure equitable treatment and enhance the role of CSOs in North Macedonia, the government must revise existing legal and institutional frameworks to provide CSOs with access to employment benefits, support programs, and collective bargaining mechanisms. Volunteering policies must transition from strategic planning to consistent implementation. Furthermore, embedding civic engagement within the national curriculum and removing discriminatory content are critical steps toward promoting inclusive, values-based education.
5.	To strengthen government–CSO cooperation, key institutional mechanisms—such as the Council, the NGO Unit, and the public servants’ network—must be revived. The government should urgently reconstitute the Council to restore trust and ensure continuous dialogue. A transparent, standardized mechanism for selecting CSO representatives to cross-sector bodies is needed.
6.	Government and lawmakers should consistently utilize the ENER platform for all draft law consultations to ensure transparency, legal compliance, and inclusive public participation. ENER requires stricter enforcement to guarantee timely access to draft laws and meaningful public participation. Finally, the Transparency Strategy must be backed by measurable actions to improve data accessibility, build trust, and expand CSO participation in governance.

Findings

Area 1: Basic Legal Guarantees of Freedoms

Sub-area 1.1. Freedom of association

1.1.1. Establishment of and Participation in CSOs

The legal framework governing the establishment and participation in civil society organizations (CSOs) remained unchanged in 2024 and continues to safeguard the right to freedom of association, in line with international standards. In practice, both individuals and legal entities are free to form associations, foundations, and other types of non-profit, non-governmental organizations. The right to establish and participate in associations—whether formal or informal—is firmly protected under the Constitution of the Republic of North Macedonia¹ and further detailed in the Law on Associations and Foundations (LAF).

Despite the urgent need for reform of the Law on Associations and Foundations² in North Macedonia to address the evolving realities of civil society, including providing insufficient legal recognition for public benefit organizations, failing to protect CSOs from political interference, and inadequately supporting transparency, accountability, or modern forms of civic engagement, thereby hindering their meaningful contribution to democratic governance and the EU integration process – there was no initiative of changing the law in 2024, adding to the stalled processes from previous years.

Freedom of association is exercised through participation in associations, foundations, alliances, and branches of foreign organizations. Citizens are permitted to associate for a wide range of purposes, with specific limitations to this right clearly enumerated. The legal framework ensures that both individuals and legal persons can associate offline and online without discrimination, including foreigners. Additionally, minors may establish an association upon reaching the age of 15 and may become members at 14 with the consent of a legal guardian. These provisions equally apply to persons with limited or no working capacity.

Registration of CSOs is voluntary. When sought, the procedure is straightforward and timely. The Central Registry of the Republic of North Macedonia (CRNM) serves as the sole authority for CSO registration, which is completed within five working days following submission of a paper application. However, CSOs are at a disadvantage compared to business entities, which benefit from free and available online registration, while CSOs must submit paper applications at a higher cost—exceeding all business registration costs except for the registration of shareholding companies. Nevertheless, survey findings indicate that civil society organizations face minimal difficulties during the registration process.

1.1.2. State Interference

The legal framework in North Macedonia provides protections against governmental interference in the internal governance of associations, foundations, and other non-profit entities. The Law on Associations and Foundations guarantees the autonomy of civil society

¹ The Constitution of the Republic of North Macedonia (“Official Gazette of the Republic of North Macedonia”, no. 52/1991)

² Law on Associations and Foundations (“Official Gazette of the Republic of North Macedonia” no. 52/10, 135/11 and 55/16)

organizations, allowing them to determine their internal structures and operational procedures independently of the state. Nonetheless, certain longstanding issues persist within the Criminal Code, which holds authorized individuals and representatives of various civil society organizational forms personally liable—even when they do not perform official functions, engage in activities of public interest, or utilize public funds. For example, directors may incur personal liability in cases of alleged financial mismanagement, even where no state resources are involved. A working group is currently engaged in addressing proposed amendments to this aspect of the legislation.

The Law on Anti-Money Laundering and Countering the Financing of Terrorism³ in North Macedonia aims to combat financial crimes and uphold the integrity of the financial system. As part of this framework, a sector-specific risk assessment has been conducted; however, concerns remain regarding whether the assessment sufficiently reflects the distinct characteristics of civil society organizations and applies an appropriately tailored, risk-based approach. Throughout 2024, collaboration between the civil society sector and the Financial Intelligence Office (FIO) continued, focusing on evaluating terrorism financing risks. Nevertheless, issues raised as early as 2020 persist—particularly regarding the monitoring practices applied by banks to CSOs' accounts and transactions. CSOs continue to be classified as high-risk clients within the banking sector, leading to ongoing operational challenges. The legislation provides limited protection to individuals and groups against third-party interference. CSOs can choose to dissolve voluntarily through a resolution of their highest governing body.

1.1.3. Securing Financial Resources

CSOs in North Macedonia are legally permitted to engage in economic activities—such as providing services, selling products, and charging membership fees—so long as the income supports their organizational goals. While this offers opportunities for financial diversification, practical challenges related to taxation, labor laws, and compliance make such activities burdensome.

CSOs face no legal restrictions on receiving domestic funding from individuals or corporations and have access to banking services. However, they continue to encounter significant obstacles in the financial sector, including difficulties with international transactions, which are often delayed or scrutinized under anti-money laundering (AML) and counter-terrorism financing (CFT) protocols. These delays can hinder timely project execution.

Access to credit remains limited, as banks are reluctant to lend to CSOs due to perceived financial risk and lack of collateral, restricting their capacity for growth and long-term planning.

Proposed amendments to the Law on Donations and Sponsorships in Public Activities are expected to improve the financial environment for CSOs by incentivizing donations, streamlining procedures, and increasing legal clarity, thereby enhancing financial sustainability. Despite this, most CSOs still rely heavily on foreign funding due to declining state support. However, obtaining foreign funds remains complex. CSOs must register with government bodies and navigate difficult VAT exemption procedures, which involve manual processes confined to the capital, unclear guidelines, and restrictive banking requirements. The administrative burdens frequently delay implementation and impose substantial bureaucratic costs, effectively meaning that the law is not being implemented at all due to these barriers.

³ <https://ufr.gov.mk/wp-content/uploads/2020/05/%D0%97%D0%A1%D0%9F%D0%9F%D0%A4%D0%A2-%D0%BD%D0%B5%D0%BE%D1%84%D0%B8%D1%86%D0%B8%D1%98%D0%B0%D0%BB%D0%B5%D0%BD-%D0%BA%D0%BE%D0%BD%D1%81%D0%BE%D0%BB%D0%B8%D0%B4%D0%B8%D1%80%D0%B0%D0%BD-%D1%82%D0%B5%D0%BA%D1%81%D1%82-14.10.2024.pdf>

Sub-area 1.2. Related-freedoms

1.2.1. Freedom of Peaceful Assembly

The Constitution of North Macedonia guarantees the right to freedom of assembly, which is further regulated by the Law on Public Assemblies (LPA). Under the LPA, citizens are entitled to hold spontaneous, simultaneous, and counter-assemblies without prior notification. The law outlines specific limitations regarding permissible locations for public gatherings.

However, several shortcomings in the LPA remain unaddressed as of 2023. These include the lack of clear definition of the organizer's duties and responsibilities, the imposition of disproportionately high fines on organizers in cases of damage, and the requirement for foreign nationals to obtain prior approval to assemble—non-compliance with which carries severe penalties.

According to statistics from the Ministry of Interior, a total of 716 public gatherings and protests were held in 2024, primarily organized to express public opinion or demonstrate in response to specific issues, including sentiments related to election day. These events reflected the concerns of various segments of the population. During the course of these gatherings, 19 individuals were arrested—17 from Skopje and 2 from Tetovo.

According to the 2024 survey, three organizations reported that the procedural requirements for submitting protest-related documentation had become more complex, compared to six organizations who raised similar concerns in the previous year. Additionally, one organization reported being denied permission by the police to hold a protest at the requested location, whereas six organizations had reported such denials in 2023. Furthermore, 20 organizations stated that the police failed to take all necessary measures to ensure the peaceful conduct of public gatherings—down from 36 organizations who reported the same issue in the previous year.

1.2.2. Freedom of Expression

The legal framework in North Macedonia guarantees the right to freedom of expression for all individuals. This right is protected by multiple legal instruments, including the Constitution, the Law on Media⁴, the Law on Broadcasting Activity, the Law on Civil Liability for Insult and Defamation, and the Law on Free Access to Public Information. Civil society organizations (CSOs) engaged in the promotion of human rights and democratic values are legally permitted to express opinions and engage in advocacy without formal restrictions.

While the Constitution prohibits censorship and affirms freedom of speech, North Macedonia has yet to fully harmonize its media legislation with European Union standards—an essential step in the country's EU accession process. One major concern is the misuse of the Law on Civil Liability for Defamation, which is often exploited to intimidate independent media through judicial harassment, fostering an environment of self-censorship.

In 2024, North Macedonia experienced a continued surge in Strategic Lawsuits Against Public Participation (SLAPPs), posing significant threats to freedom of expression and civic engagement. The persistence of SLAPPs underscores the urgent need for North Macedonia to align its legal framework with European standards, ensuring robust protections for freedom of expression and safeguarding democratic participation.

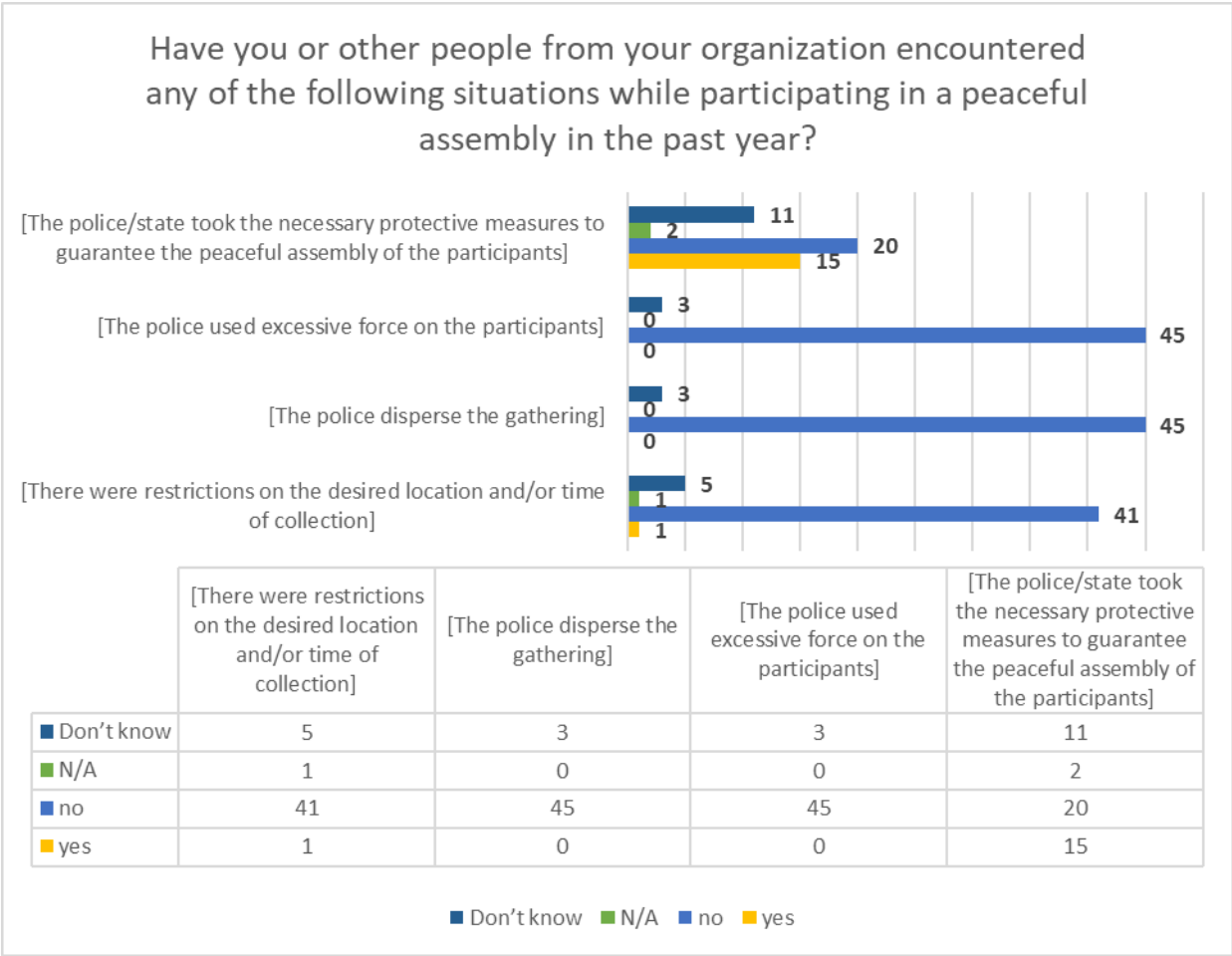
⁴ <https://avmu.mk/%D0%B7%D0%B0%D0%BA%D0%BE%D0%BD-%D0%B7%D0%B0-%D0%BC%D0%B5%D0%B4%D0%B8%D1%83%D0%BC%D0%B8/>

In response, the Council of Europe adopted Recommendation CM/Rec (2024)2⁵, urging member states to implement comprehensive strategies against SLAPPs. This recommendation, calls for legislative reforms, judicial training, and support mechanisms for those targeted.

Further concern surrounds a proposed bill that would allow government advertising in private media, raising fears of corruption and undue political influence. The broader media environment is marked by deep political polarization, with the two dominant political parties—those in power and in opposition—maintaining parallel media outlets under their influence. This dynamic significantly undermines media independence. At the same time, the public broadcaster continues to suffer from inadequate editorial autonomy and financial sustainability.

In 2024, North Macedonia ranked 36th out of 180 countries in the World Press Freedom Index⁶ published by Reporters Without Borders (RSF), improving by two positions compared to 2023.

Chart 1: Freedom of expression



⁵ <https://rm.coe.int/cm-rec-2024-2-slapps-mkd/1680af5b16>

⁶ <https://mia.mk/en/story/rsf-ranks-north-macedonia-36th-in-2024-world-press-freedom-index>
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1.2.3. Open, Safe and Secure Civic Spaces

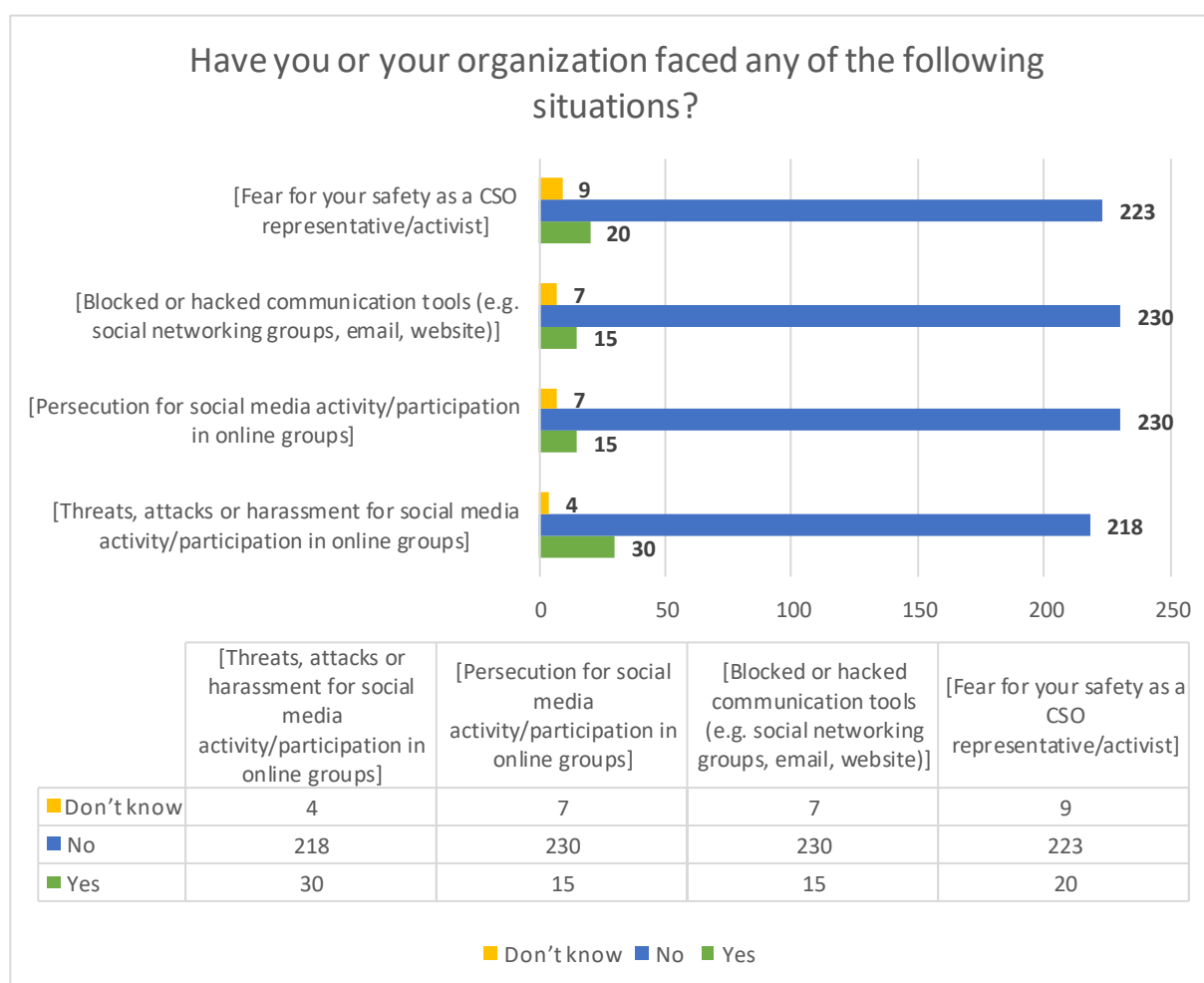
The legal framework in North Macedonia includes safeguards against unlawful surveillance of communication channels. However, no notable progress was made in 2024 regarding the sustainability or quality of journalism. Open, safe, and secure civic spaces are vital for enabling civil society organizations (CSOs) and individuals to engage meaningfully in democratic processes, express opinions freely, and participate in public discourse without fear—both online and offline. CSOs remain protected under the Law on the Prevention of Discrimination, which extends to legal entities.

The state of civic space in North Macedonia reflects a complex balance of democratic potential and ongoing challenges. CSOs actively use media to advocate for causes, raise public awareness, and contribute to national discourse. Many CSO representatives are regularly featured in traditional media and invited to participate in TV debates and informational programs. In parallel, internet podcasts are emerging as an influential medium for information dissemination.

While independent media outlets do exist, the media environment continues to be affected by political interference, concentration of media ownership, and disinformation. These issues limit access to impartial information—essential for informed civic participation. Journalists in the country have also faced instances of harassment and legal pressure in response to their reporting.

According to the survey, 25 organizations (33%) reported that they were unable to obtain the information they requested.

Chart 2: Open, Safe and Secure Civic Spaces



Area 2: Framework for CSO Financial Viability and Sustainability

Sub-area 2.1. Tax/fiscal treatment for CSOs and their donors

2.1.1. Tax Benefits

In 2024, there were no significant improvements in the fiscal treatment of civil society organizations (CSOs) in North Macedonia. The legal provisions remained unchanged. CSOs continue to be exempt from the Law on Profit Tax⁷, and the new Law on Personal Income Tax excludes them from obligations related to volunteer compensation and travel or accommodation costs for participants in events and educational activities.

While the legal framework technically allows for tax-deductible donations from both individuals and corporations, the effectiveness of these incentives is limited.

One area where CSOs continue to benefit is VAT exemptions, especially for grants and donations from foreign donors. However, to qualify, organizations must register their projects in the Central Donor Assistance Base, managed by the Secretariat of European Affairs (SEP). Although the registration process is now electronic, it remains slow and bureaucratically burdensome. Although the registration process is now electronic, it remains slow and bureaucratically burdensome, with some CSOs waiting months for approvals.

A positive development is that CSOs located outside Skopje no longer need to travel to the capital to file registration documents—they can now do so online. Still, survey data shows that many organizations remain unaware of existing tax benefits, or have yet to utilize them due to the complexity of the system.

2.1.2. Incentives for Individual/Corporate Giving

The Law on Donations and Sponsorships in Public Activities (LDSPA) continues to serve as the principal legal instrument regulating individual and corporate philanthropy in North Macedonia, providing tax incentives intended to stimulate such contributions. In 2023, a draft amendment to the LDSPA was prepared, and in January 2024, it was submitted to the ENER platform for public consultation. The drafting process was carried out by a working group that included representatives from civil society organizations (CSOs). However, the pace of reform has been slow, and the current legal framework has yet to meaningfully enhance civic or corporate engagement in community-oriented initiatives. As of 2024, North Macedonia has not introduced any new tax incentives specifically for individual or corporate giving beyond those established in the existing legal framework. However, there have been ongoing discussions and initiatives aimed at enhancing the effectiveness and accessibility of these incentives.

Despite existing incentives, charitable giving—particularly toward civil society—remains limited. The administrative burdens associated with accessing tax benefits further discourage participation. Moreover, the question of public benefit organization (PBO) status remains largely unresolved.

Social entrepreneurship continues to be seen as a promising avenue for advancing socio-economic development through CSO engagement.

Corporate social responsibility also holds significant potential for fostering philanthropic and community-minded activities.

In summary, while strategic and legislative frameworks exist to promote social responsibility and cross-sector collaboration, significant gaps remain. Efforts must be intensified to foster an

⁷ <https://finance.gov.mk/%D0%B4%D0%B0%D0%BD%D0%BE%D0%BA-%D0%BD%D0%B0-%D0%B4%D0%BE%D0%B1%D0%B8%D0%B2%D0%BA%D0%B0/>

enabling environment for individual and corporate giving, clarify and strengthen the application of PBO status, and streamline tax and administrative procedures to facilitate broader civic engagement and philanthropy.

Sub-area 2.2. State support

2.2.1. Public Funding Availability

Public funding remains a significant challenge for civil society organizations (CSOs) in North Macedonia, with no improvements in the legal framework or state support observed in 2024. CSOs continue to face limited financial support, a lack of transparency, and confusion over budget allocations. Concerns have been repeatedly voiced regarding the insufficient financial support and the absence of accountability in the distribution process. The budget allocation mechanism for CSOs remains decentralized, and the main budget expenditure line designated for CSOs, labelled “463 – Transfers to Non-Governmental Organizations,” continues to cause confusion. This, combined with the lack of detailed publicly available budget information, further complicates access to funding.

Starting with this year’s report, the analysis of state funding includes data collected from both the central government and governmental bodies, as well as funding allocated through local governments. The total amount of state funding reached 918,389,266 MKD (approximately 14.8 million EUR), representing 8.8% of the total income of CSOs. Of this amount, 625,310,431 MKD (around 10 million EUR) was provided by the central government and governmental bodies, while 293,078,835 MKD (approximately 4.8 million EUR) was allocated by local government units. The data excludes resources allocated by state and local authorities to sports clubs, in order to provide a more accurate reflection of funding genuinely directed toward CSOs.

Despite the Government’s stated goal of increasing public support to cover 30% of total CSO’s funding by 2024, these figures illustrate that state support remains minimal and way below the Governmental commitments. Moreover, institutional support for CSO development or co-financing of donor-funded projects is largely absent. European Commission reports consistently recognize the sector’s constructive role but emphasize that state financial support remains insufficient and unclear.

The public funding cycle continues to be flawed. Civil society organizations (CSOs) are generally excluded from consultations, project selection, and evaluation processes related to the allocation of public funds for CSO funding. Although the Code of Good Practices exists, it provides no binding provisions for involving CSOs in funding decisions. Consequently, state funding remains scarce, limiting CSOs’ capacity to operate, deliver services, and sustain their activities.

2.2.2. Distribution and Transparency of Public funding

In 2024, there was no progress in the development of a legislative framework to regulate the allocation of public funds, despite its inclusion as a strategic priority. The current legal environment remains disjointed, with multiple sectoral laws—such as those governing the state budget, environmental protection, culture, sports, games of chance, and social welfare—providing only partial and inconsistent guidance. These provisions often lack the

specificity necessary to ensure consistency in grant procedures and the establishment of expert evaluation bodies.

According to the survey in 2024, the transparency in public funding allocation remains a systemic shortcoming where 10% of the organizations pointed that the selection was not transparent and 13.5% said the selection of winners was not fair. Concerns persist regarding the application criteria where according to the survey 7.5% of the organizations noted that criteria was not clear. Although prior projects experience is listed as a requirement, funding has been granted to newly established organizations that do not meet this condition. Additionally, certain ministries appear to operate beyond their legal scope in distributing public funds, raising legitimate doubts about the qualifications and oversight of responsible personnel.

There is a clear and pressing need for the introduction of multi-year public funding contracts for civil society organizations engaged in activities of public interest in North Macedonia. Short-term, project-based funding models currently dominate the landscape, limiting the ability of CSOs to plan strategically, retain qualified staff, and deliver sustainable, long-term impact in critical areas such as social services, human rights, education, and environmental protection.

Moreover, the role of the Council for Government Cooperation with Civil Society has been significantly diminished. The Council has been widely regarded by civil society actors as non-functional, further eroding institutional trust and participatory mechanisms in public resource management.

2.2.3. Accountability, M&E of public funding

In 2024, no significant progress was made in strengthening the accountability, monitoring, or evaluation mechanisms related to public funding for civil society organizations in North Macedonia. While several legal acts prescribe fundamental accountability obligations, the implementation and enforcement of these provisions remain insufficient.

The Law on Budget stipulates that all public expenditures and transfers must be backed by verifiable accounting documentation. Similarly, the Law on Associations and Foundations (LAF) requires CSOs that receive public funding to submit financial reports to the relevant public authorities.

Notably, the current legal framework lacks precise and proportionate sanctions for instances of misuse of public funds by CSOs. While the Criminal Code⁸ designates the legal representatives of CSOs as public officials—thereby subjecting them to the same legal penalties as government employees in cases of fund misuse—this approach may not adequately reflect the specificities of the civil sector. The Code of Good Practices emphasizes the importance of monitoring and requires the return of funds when contractual obligations are not fulfilled, but it does not propose concrete penalties.

This insufficient oversight structure, combined with the absence of tailored sanctions, results in a fragile accountability system. It heightens the risk of financial mismanagement and undermines the credibility of public funding processes.

2.2.4. Non-Financial Support

The legislative framework in North Macedonia provides for non-financial support to civil society organizations (CSOs), primarily through the Law on the Usage and Disposal of

⁸ <https://jorm.gov.mk/wp-content/uploads/2016/03/%D0%B7%D0%B0%D0%BA%D0%BE%D0%BD%D0%B8%D0%BA-%D0%BF%D1%80%D0%B5%D1%87%D0%B8%D1%81%D1%82%D0%B5%D0%BD-%D1%82%D0%B5%D0%BA%D1%81%D1%82.pdf>

Government-Owned Items. This law enables state authorities to allocate both movable and immovable property to CSOs by government decision. Such property may be granted with or without compensation, and CSOs may be entitled to use or acquire real estate on either a temporary or permanent basis. Similarly, the use of government-owned movable assets can be extended to CSOs under comparable conditions.

Despite this legal provision, the framework lacks clearly defined and transparent criteria for the allocation of non-financial support, creating inconsistencies in practice and limiting predictability for CSOs seeking such assistance.

In addition, the Law on Local Self-Government permits municipalities to transfer ownership of property through public auctions. While this provision supports local fiscal autonomy, it introduces an additional layer of complexity and may reduce the pool of non-financial resources available to CSOs, depending on the strategic priorities of local governments.

Overall, the absence of uniform standards and transparent procedures for allocating non-financial support impedes equitable access and may constrain the operational capacity of CSOs, particularly at the local level. Clarifying these mechanisms is essential to enhance institutional support and foster a more enabling environment for civil society development.

Sub-area 2.3. Human resources

2.3.1. Employment in CSOs

The existing legal framework in North Macedonia—specifically the Law on Labour Relations⁹ and the Law on Employment and Insurance in Case of Unemployment—does not adequately reflect the specific operational realities of civil society organizations. As a result, CSOs face unequal treatment compared to private sector entities, particularly regarding access to employment-related benefits, such as those under the Law on the Employment of Disabled Persons. Moreover, CSOs lack formal representation in employers' unions, and there is ambiguity regarding the applicability of collective agreements to the sector.

Employment data for CSOs is compiled by the Central Registry of the Republic of North Macedonia based on annual financial reports. Information on part-time staff, short-term contractors, and volunteers is not captured.

Despite these data collection mechanisms, CSOs remain largely excluded from employment-related benefits and support programs. A limited number of organizations have been able to access state incentives for job creation.

Further complicating the situation is the lack of timely and accessible information regarding employment-related support measures, which are often available only for restricted periods. This contributes to low uptake of these programs by CSOs.

2.3.2. Volunteering in CSOs

In North Macedonia, there are various incentives aimed at promoting volunteering, both for individuals and organizations, alongside state-supported programs. According to the Law on Volunteerism, volunteers are entitled to tax-free reimbursements for expenses related to their

⁹ <https://mtsp.gov.mk/content/pdf/2023/trud/ZRO,%20precisten%20tekst%202023.pdf>
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work, such as food, transportation, and training, with the reimbursement set at a minimum of 15% of the country's average gross salary. CSOs also benefit from employment programs that subsidize internships, encouraging the involvement of interns.

Active strategic frameworks for 2024 include the National Youth Strategy 2023–2027, which aims to promote volunteer activities—particularly in environmental protection—emphasizing the vital role of youth in civic engagement, and the Strategy and Action Plan for the Promotion and Development of Volunteering (2021–2025), adopted by the Ministry of Labour and Social Policy, which offers a comprehensive assessment of the volunteering landscape in the country; meanwhile, the Strategy for Cooperation with and Development of the Civil Sector (2022–2024), along with its Action Plan, has expired in 2024. A major goal of the Strategy is to provide support for CSOs to engage more volunteers and create infrastructure that facilitates connections between CSOs and volunteers. Through these incentives and strategic measures, the government seeks to foster a volunteering culture and strengthen the vital role of CSOs in the country.

2.3.3. Civic engagement and education

In North Macedonia, legislation permits non-formal education, allowing civil society organizations (CSOs) to engage in the informal education sector, although challenges persist. While there are provisions enabling CSOs to participate in non-formal education, the integration of CSO-related topics into informal education remains limited. The legal framework governing non-formal education by CSOs is outlined in several laws, including the Law on Adult Education, the Law on the Bureau for Education Development, and the Law on Procurement.

The Economic Chamber of North Macedonia, a key provider of adult education, advocating for its reform. While civil society topics are included in primary and secondary education curricula, instances of discriminatory content in textbooks have been identified.

Despite these challenges, some CSOs have been certified as providers of non-formal education and training, signifying recognition of their role in educational initiatives. Addressing existing barriers and ensuring effective implementation of policies are critical steps to enhance CSO involvement in non-formal education and promote inclusive, high-quality education in North Macedonia.

However, internships, fellowships, and volunteer programs with CSOs are not systematically integrated into the national curriculum at all education levels. While civic education is part of the compulsory curriculum, opportunities for internships, fellowships, or volunteer programs with CSOs are mainly available through extracurricular activities, partnerships with CSOs, or specific higher education programs, rather than being integrated into the core curriculum.

Area 3: Government-CSO Relationship

Sub-area 3.1. Framework and practices for cooperation

3.1.1. State Policies and Strategies for Development of and Cooperation with Civil Society

In 2024, the Strategy¹⁰ of the Government of the Republic of North Macedonia for Cooperation with and Development of Civil Society 2022-2024 is still active and is in the last and final year of the planned period. In December 2024, the Unit for cooperation launched a questionnaire for civil society organizations to gather data for measuring indicators outlined in the Action Plan of the Strategy for Cooperation with and Development of Civil Society (2022–2024)¹¹. The collected data will support the drafting of the 2024 implementation report. A final report on the implementation of the Strategy is awaited. In the period October – November 2024, the Unit for cooperation with NGOs within the General Secretariate had online consultations for the drafting of the new Strategy for cooperation for the period 2025-2028.

On February 27, 2024, the Government published the adoption of the National Action Plan for Open Government Partnership 2024–2026¹². This is the sixth National Action Plan and was prepared in an inclusive and transparent process that began in June 2023 with the involvement of a large number of non-governmental organizations and government institutions in the preparation of the draft commitments. The new action plan in the Open Government section contains 15 commitments and 57 achievements distributed in five priority areas: fighting corruption, participatory decision-making and citizen participation, legal empowerment and access to justice, development and use of digital technologies and promotion of climate change activities.

In May 2024, the Ministry of Information Society and Administration organized working meetings with stakeholders to support implementation and reporting.

On 25.09.2024, the first of a series of meetings with the civil sector "Dialogue between the Government and the Civil Sector" was held at the Government premises, on the topic "Rule of Law, Good Governance and the Fight against Corruption", organized in cooperation with the International Republican Institute. The leading goal of the Government of the Republic of North Macedonia is to restore citizens' trust in institutions, eliminate corruption and ensure the rule of law. At the meeting, the Prime Minister, Hristijan Mickoski, emphasized that the fight against crime and corruption must be decisive and that without victory in this fight we cannot have a developed country, better conditions and a better standard of living for citizens. The meeting opened a direct dialogue and communication with civil society organizations, which have expertise and are working on proposed solutions and mechanisms for better functioning of institutions and good governance.

On November 15, 2024, the National Civic Mobilitas Forum was held, organized in cooperation with the Government of the Republic of North Macedonia, as the Annual Conference¹³ of Civil Society Organizations for Cooperation between the Government and Civil Society. More than 200 representatives of civil society organizations participated in the forum. The welcoming address was given by the Ambassador of Switzerland to the Republic of North Macedonia, H.E. Veronique Ullmann, and the main speakers were: Hristijan Mickoski, Prime Minister, Aleksandar Krzhalovski, leader of the Civic Mobilitas team, and Igor Janushev, Secretary General of the Government. The Prime Minister confirmed the Government's openness to working together with the civil society sector and finding joint solutions to real problems. The Secretary General of the Government emphasized that the Government will support an independent and professional civil society

¹⁰ <https://rcgo.mk/links/laws-by-laws-and-strategic-documents/strategy-of-the-government-of-republic-of-north-macedonia-for-cooperation-and-development-of-civil-society-with-action-plan-2022-2024/>

¹¹ <https://www.nvosorabotka.gov.mk/?q=mk/node/276>

¹² <https://www.opengovpartnership.org/documents/north-macedonia-action-plan-2024-2026-june/>

¹³ <https://civicamobilitas.mk/en/civica-news/annual-civil-society-conference-for-government-and-civil-society/>

sector as a partner in policymaking and will implement reforms to strengthen financial support for civil society organizations through a guarantee fund to support organizations that are beneficiaries of projects from European and other funds. At the third thematic session, civil society organizations openly discuss with minister's current issues and challenges in the areas of education, environment, local self-government, sustainable tourism with the support of civil society organizations, and digitalization for the general development of society.

3.1.2. Institutions and Mechanisms for Development of and Cooperation with Civil Society

Three main institutions and mechanisms continue to be responsible for facilitation of the cooperation between the Government and the CSOs: The Council for Cooperation with the Civil Society and the Government, the Unit for Cooperation with NGOs, and the network of public servants for monitoring the Strategy implementation.

The three-year mandate of the members of the Council for Cooperation between the Government and Civil Society ended on July 30, 2024 and a new Council for Cooperation was not elected nor new members proposed until the end of 2024 despite the expired mandate of the Council. In the period October – November, wide consultations were held with CSOs for changing and amending the Decision on the Establishment of the Council. In December 2024, the Government passed the changes and amendments to the Decision. In the beginning of 2025, the General Secretariat will publish a public call for the selection of members of the Council from among civil society organizations.

The work program of the new Government for the period 2024-2028 briefly outlines the content of cooperation with the civil society sector. It states that the Government will provide funds to cover the co-funding for civil society organizations that apply and are beneficiaries of projects from European and other funds. The program also states that a comprehensive reform of the sponsorship system for organizations that perform public activities will be implemented, and it is also stated that the Government will organize an Annual Conference of Civil Society Organizations.

In accordance with the Code of Good Practices¹⁴ for Civil Society Participation in the Policy-Making Process, the General Secretariat of the Government of the Republic of North Macedonia on August 20, 2024 issued a call for civil society organizations to actively contribute to the preparation of the Annual Work Program of the Government of the Republic of North Macedonia for 2025. Policy proposals should refer to specific legal provisions and be in function of achieving the strategic priorities and priority objectives of the Government of the Republic of North Macedonia for 2025.

On 4.9.2024, at the premises of the Civic Resource Center, in Skopje, a debate was held on the topic of Strengthening Cooperation between the Government and Civil Society. At the event, the discussion focused on the enabling environment for the development of civil society - current situation and future steps.

The Secretary General of the Government, Mr. Igor Janushev, was present at the meeting and in his addressing he made promises to initiate the drafting of the new Strategy for cooperation as well as the procedure for selection of Council members for the next mandate.

According to the CSO's survey results in 2024, 64% of the CSOs are informed about the Council operation, whereas 86% of those informed about the Council are not contented from the work of the council.

Sub-area 3.2. Involvement in policy- and decision-making process

3.2.1. Standards for CSO Involvement

¹⁴ <https://mcms.mk/images/docs/2021/Civil%20Society%20Code.pdf>

The legal framework clearly defines the standards on the involvement of CSOs in all policy-making processes. Various documents provide the basis for the involvement of CSOs in policy-making and legislation preparation at the level of the Government and at the level of the Parliament, Law on Referendum and Other Forms of Direct Vote of the Citizens, Law on the Government, Law on Organization and Operation of State Administrative Bodies, Rulebook of Procedure of the Government, Strategy for Cooperation with and Development of the Civil Society Sector, Code of Good Practices for Participation of the Civil Society Sector in Policy-Making Process, Methodology for Regulatory Impact Assessment, and the Guidelines for the ministries on the way to proceed in the process of regulatory impact assessment.

The Government Rulebook stipulates that draft-laws are to be published on the website of the line ministry and the Unique National Electronic Register of Regulations (ENER)¹⁵. Furthermore, the Rulebook provides to the CSOs and the public a minimum of 20 days for consultations of the draft-acts.

The website of the Council for Cooperation with Civil Society features a dedicated section on Dialogue between the Government and the Civil Society Sector, where the Government publishes questions and initiatives submitted by civil society organizations, along with its official responses. These initiatives primarily focus on areas such as the rule of law, good governance, anti-corruption, education, and youth participation, and stem from discussions and priorities identified during previous dialogue forums.

In 2024, according to data from the Government Mirror platform and the ENER website, the Government published only 35 out of 101 laws for which it was legally required to conduct public consultations. This represents a fulfillment rate of just 35% of its obligation to ensure transparency and enable civil society organizations to participate in the legislative process.

Part of the state institutions continued to invite and involve the public/CSOs to comment on laws and policy initiatives at an early stage. According to the 2024 survey results, 30% of CSOs agree that CSOs are involved in early stage of law preparation and creation of policies. In the 2024 Survey on Civil Society Organizations, was your organization's input taken into account by policymakers in the consultation process, 50% responded that it was taken into account to some extent, while 7% stated that it was not taken into account at all.

3.2.2. Public Access to Draft Policies and Laws

In 2024, most institutions in North Macedonia published some draft or adopted documents on their respective websites and/or on the centralized platform ENER. While all draft laws subject to public consultation are required to be published on ENER, other policy documents may also be shared there, though this practice remains limited.

Out of 101 draft laws submitted by the Government and line ministries—each requiring Regulatory Impact Assessment (RIA) and prior publication on ENER—only 35%¹⁶ (or 35 laws) were made publicly available for consultation. This reflects a continued lack of transparency and limited engagement with civil society in the legislative process.

The right to access public information is enshrined in the Constitution and further defined by the Law on Free Access to Public Information. However, implementation remains inconsistent. According to a 2024 survey on access to public information, 70% of civil society organizations submitted information requests to government institutions. Of these, 33% reported that they did not receive a response within the legally prescribed timeframe, indicating a persistent gap between legal provisions and practical enforcement.

3.2.3. CSOs' Representation in Cross-Sector Bodies

¹⁵ <https://ener.gov.mk/Default.aspx>

¹⁶ <https://www.ogledalonavladata.mk/>

The Code of Good Practices for the civil sector's participation in the policy-making processes stipulates working groups established by the Government which would, inter alia, serve as an instrument of participation¹⁹. However, there is no standardized mechanism for selection of representatives in cross-sector bodies. There are different legal acts that require the establishment of councils, committees, etc. which would oblige that CSOs are included in the mechanism. Most often the Council for cooperation with civil society is used as a body to nominate CSOs' representatives in cross-sector bodies, either through an open call or directly. The Department for Cooperation with Non-Governmental Organizations of the General Secretariat of the Government, in partnership with the projects funded by the European Union "EU Support for the Civic Resource Center - Phase 2" and "Technical Support for Improving the Enabling Environment for Civic Organizations in the Republic of North Macedonia", invited representatives of civic organizations, relevant state bodies, as well as all interested parties to consultations on amending the Decision on the Establishment of a Council for Cooperation between the Government and Civil Society.

The Government of North Macedonia has Transparency Strategy for 2023-2026¹⁷, developed by the Cabinet of the Deputy Prime Minister responsible for good governance policies. The strategy identifies key areas of focus: enhancing active transparency, improving public access to information, ensuring fiscal transparency of government and other executive authorities, strengthening digital capabilities for data openness, and bolstering reporting mechanisms for policy development. The specific measures for achieving these goals are laid out in the Action Plan for 2023- 2026, which details the activities, timelines, cost estimates, responsible entities, and institutions involved. This strategy emerged from a collaborative effort that included CSOs, media, academics, and governmental bodies.

Sub-area 3.3. Collaboration in service provision

3.3.1. CSO Engagement in Service Provision and Competition for State Contracts

The existing legal framework in North Macedonia permits civil society organizations (CSOs) to provide services in key areas such as social protection, education, and healthcare. The Law on Social Protection defines the types of services associations may deliver, outlines the conditions and procedures for granting public funds, and introduces administrative contracts for the provision of these services. The Ministry of Labour and Social Policy maintains a public register of licensed social service providers, which recorded approximately 12 newly licensed or renewed providers in 2024. Despite this, the majority of non-institutional services continue to be delivered by public institutions.

While the Law on Associations and Foundations (LAF) allows CSOs to perform public authorizations by transferring competences from state and local authorities, in practice, few municipalities have delegated such responsibilities to CSOs. This limited implementation restricts the sector's involvement in delivering decentralized public services.

Furthermore, the Law on Free Legal Aid¹⁸ enables CSOs to offer pre-trial legal assistance. As of 2024, the Ministry of Justice's register includes 16 associations authorized to provide such services, with one additional organization registered during the year. These associations are eligible to receive state grants for their legal aid activities. However, despite the legal provisions, CSO participation in public service delivery remains underutilized, highlighting the

¹⁷ <https://balkancsd.net/north-macedonia-government-adopts-transparency-strategy-and-action-plan-for-2023-2026/>

¹⁸ https://legislationline.org/sites/default/files/documents/ce/NMAC_law%20on%20legal%20aid.pdf

need for stronger institutional support and broader recognition of their role in enhancing public access to essential services.

In practice, a significant majority, 231 of the surveyed organizations (92%), did not apply for a public service provision contract in the year 2024.

3.3.2. State Funding for CSO-Provided Services

In North Macedonia, the legal framework allows for partial public funding of basic social services provided by civil society organizations (CSOs). The allocation process for such funding varies depending on the service area, with more structured mechanisms typically available for social and health services. These funds are generally drawn from future-year budgets, under expenditure lines designated for institutional programs. This structure enables CSOs to access public financial support for delivering essential services that contribute to community welfare.

However, the current legislation does not allow for the conclusion of long-term contracts with CSOs. Even organizations with a consistent track record in delivering vital social or health-related services must reapply annually and sign new contracts, regardless of their established contributions. This imposes a repetitive administrative burden and creates uncertainty in service continuity and organizational planning.

The Law on Social Protection mandates that the Ministry of Labour and Social Policy (MLSP) exercises oversight over CSOs receiving public funds. The law outlines the procedures for supervision, allowing the Ministry to assess how allocated funds are utilized and to evaluate the effectiveness of CSO interventions within the social protection system.

Annex 1

Background & methodology

This report is part of a series of country reports covering six countries in the Western Balkans: Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro, Serbia and Turkey. A Regional Report is also available summarizing findings and recommendations for all countries and a web platform offering access to monitoring data per country.

The Monitoring Matrix, developed in 2013 by BCSDN, with the support of its members and partners, sets the main principles and standards crucial for the legal environment to be considered supportive both for the operations and for development of CSOs. The Monitoring Matrix is organized around three main areas, each divided by sub-areas:

1. Basic Legal Guarantees of Freedoms;
2. Framework for CSOs' Financial Viability and Sustainability;
3. Government – CSO Relationship.

The areas are elaborated by standards, which are further specified through legal and practice indicators. The legal indicators are measured by coding the presence or absence of rules, costs, procedures, and obligations enshrined in legal regulation (primary and secondary) and policy frameworks enacted in the respective countries. To assure standardization and comparability of the data gathering process regarding the practice indicators, country researchers follow a methodology plan in which each of the 80 indicators are further operationalized in concrete mandatory and additional data types (i.e. operationalized dimensions of a practice indicator) to be reported across the countries.

The principles, standards, and indicators rely on internationally guaranteed freedoms and rights and best regulatory practices at the EU level and in European countries. The Matrix aims to define the optimum situation for effective operation and development of civil society, as well as set a realistic framework that can be implemented by public authorities. Having in mind that the main challenges lay in implementation, the indicators have been defined to monitor the situation by taking into consideration both the legal framework and its practical use.

The research undertaken aims to provide evidence on the enabling environment for civil society development and to influence the support of governments, the European Union and other donors towards more sustainable and strategic development of the sector.

To analyse and interpret the data, country researchers use a unified data collection template which provides the indicators description and five category descriptions ranging from fully enabling to fully disabling environment provided under each indicator. The five category descriptions are specified for each legal and practice indicator in the Monitoring Matrix Toolkit, to enable researchers – based on the reported data – to choose one code (score) which most accurately summarizes the state of enabling environment concerning the respective indicator. In a first step, the researcher reports the required data types collected through different sources in the template box. In a second step, they choose one of five category descriptions specified for the respective indicator which best illustrates the reported data. The categories enable unified comparison of findings on the level of indicators across all country reports.