

Working Paper

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Decentralisation in the Republic of Macedonia

The Last Step across the Abyss

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**DECENTRALISATION IN THE REPUBLIC OF MACEDONIA -
THE LAST STEP ACROSS THE ABYSS**

by Dane Taleski*

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1. Present situation: shaky stability

The bombing of two police stations and the sightings of armed ethnic Albanian groups have recently deteriorated the inner stability in the Republic of Macedonia. However, the perpetrators of violent actions do not seem to enjoy wider political support. There are indications that organized crime groups are behind the new threats to stability. They feel endangered by the actions of the public authorities to settle the security situation. They also want to retain their power in the local communities, especially now when, as part of the decentralisation, wide competences are transferred to the local level.

With the start of decentralisation from 1 July 2005 on, the Republic of Macedonia has reached the final stage of the implementation of the Ohrid Framework Agreement (OFA). This accord ended the clashes of government troops with ethnic Albanian insurgents in the summer of 2001.¹ A possible further erosion of the inner stability would hamper the decentralisation process and negatively affect the country's bid for EU membership. On 9 November 2005, the EU Commission will publish its "avis" (opinion) on the country's request for a membership status. Up to now, the EU insisted that decentralisation and the implementation of OFA are preconditions for the country's EU membership quest.

The state of inner-ethnic affairs in the Republic of Macedonia both affects and is affected by the situation in Serbia's southern province Kosovo, chiefly populated by Albanians. Negotiations about the future status of Kosovo are expected to start this fall or early next year. Kosovo is under UN protection since the end of NATO's intervention against Serbia and Montenegro in June 1999. However, this analysis will not deal with processes in Kosovo. It will focus on the ongoing decentralisation in the Republic of Macedonia.

2. Decentralisation: wobbly start

Two attacks on police stations in July brought unrest to the country. The police station in Vratnica, a village on the road from Skopje to Tetovo, mostly populated by Macedonians, was shelled on 11 July. Four days later bombs were thrown on the biggest police station in Skopje's Bit Pazar, in the wider centre of the town, mostly populated by Albanians. Luckily, there were no casualties in the attacks. After the second attack, the police arrested two Albanians, 19 and 20 year old, who according to official reports told the investigators that they were acting out of ideological reasons. Both are from Chair, a suburb of Skopje, known for high rates of poverty and crime. According to the Ministry of Interior of the Republic of Macedonia, their mentor, the escaped convict Ramadan Shiti, is also responsible for the first attack and has fled to Kosovo.

The attacks came right after two police raids in villages bordering with Kosovo where weapons, ammunition and contraband goods were seized. Some local Albanians were arrested, several of them former guerrilla fighters in 2001, who in the meanwhile had become police officers. Fuelling the tensions is also the instability in the village of Kondovo, two kilometres from the capital Skopje. Armed groups under the leadership of 26 years old Albanian Agim Krasniqi had taken over control of the village on several occasions since December 2004. He threatened to shell the capital if police moved against him.

The Macedonian Ministry of Interior initially denied any intrusion of armed groups from Kosovo. Prime Minister of Kosovo Bajram Kosumi issued a statement supporting the stability and sovereignty of the Republic of Macedonia and rejecting violence and extremism in the region.² The National Security Council of the Republic of Macedonia, chaired by President Branko Crvenkovski, had met one day before the bombing of the police station in

¹ Full text of the OFA can be found at <<http://faq.macedonia.org/politics/>> (accessed on 16.07.2005)

² Cf. Kosovo Government worried of possible destabilization in Macedonia, in: MAKFAX independent news agency <www.makfax.com.mk> (accessed on 21.07.2005)

Skopje. The Council had ordered the Ministry of Interior to resolve the situation in Kondovo and agreed that there was indeed a presence of Albanians from Kosovo there. The Council discussed the impact that future developments in Kosovo might have on the situation in the Republic of Macedonia.³

The "Kondovo crises" was solved, at least for the time being, without violence. On 19 September Krasniqi appeared in front of a judge in Skopje who then lifted the arrest warrant against him although criminal charges are still in place. Previously, Ali Ahmeti, the Leader of Democratic Union for Integration (DUI), the junior Albanian partner in the coalition government, had vouched for Krasniqi's safety if he would appear before the law.

Prime Minister Vlado Bučkovski confirmed the political involvement of his Government as well as officials from Tirana and Prishtina and foreign diplomats in settling this issue. He added that Krasniqi had reinforcement from armed groups coming from Kosovo lead by Ramadan Shiti.⁴ On 3 September the police discovered large stocks of weapons and ammunition nearby the village.

Critics accused the Government of finding only a temporary solution for Kondovo at the expense of the rule of law. However, the Head of the Delegation of the European Commission in the Republic of Macedonia, Donato Chiarini, charged the media of presenting the current security situation worse than it actually is, and thus deflecting the people and Governmental attention from much needed reforms.⁵

Implementation of the OFA

With extensive help from the international community, the Government of the Republic of Macedonia has strived for a long time to implement the OFA. The final steps on this way were the recently started process of decentralisation and the enactment of a new law for the usage of flags and symbols of the ethnic communities at the local level. These steps are also the main topics in the discussion of the Committee for Stability and Association between the EU and Republic of Macedonia together with the reforms in the judiciary, police and public administration.

According to the Minister for Local Self-Government Rizvan Sulejmani, "the attitude of the international community is that this process (decentralisation) has to succeed if we want to come close to the EU and NATO. The functioning of the local government is part of the OFA and precondition for membership in the EU and NATO".⁶

One has to remember that the OFA was signed with the help of special representatives of the USA and EU.⁷ To help the peace process, the High Representative for Common Foreign and Security Policy of the EU Javier Solana had sent a special envoy to Macedonia. That post today is held by the EU special envoy Michael Salin with the function of assisting the security and stability of the country.

OFA provided for the disarmament of armed groups, greater minority rights and equitable representation in public administration. However, its key feature is the decentralisation process. The Parliament has in the meanwhile adopted 15 constitutional amendments and 70 new or revised laws, out of which 42 are focused on decentralisation issues.⁸ The country will in future administratively be divided in 84 municipalities and the

³ Sovet za bezbednost, Republika Makedonija, 15 July 2005 <www.president.gov.mk> (accessed on 15.07.2005)

⁴ Cf. Bučkovski: Security is improved, in: A1 TV station <www.a1.com.mk> (accessed on 02.09.2005)

⁵ Cf. Chiarini blames media for heating up the situation, in: A1 TV station <www.a1.com.mk> (accessed on 23.07.2005)

⁶ Cf. Interview with Rizvan Sulejmani, Minister for Local Self-Government, in: Dnevnik, <www.dnevnik.com.mk> (accessed on 06.08.2005)

⁷ Ethnobarometer, Minority Politics in Southeast Europe: Crisis in Macedonia 2002, <<http://www.ethnobarometer.org/pagine/public.htm>> (accessed on 19.08.2005)

⁸ Ministry of Local Self-Government of the Republic of Macedonia, Action Plan for the Program for decentralisation implementation 2004 – 2007, <www.mls.gov.mk> (accessed on 05.08.2005)

capital Skopje.⁹

Constitutional changes also included the introduction of the usage of the language spoken by at least 20% of the population in a local community as the second official language besides Macedonian. Also, a double majority voting on matters concerning rights of minorities was introduced. It means that, when voting on issues connected to minority rights, the proposal can be accepted only if the majority of all members of the Parliament votes for it, but also the majority of the representatives of the minorities in the Parliament.

Double majority voting has also been accepted as a voting rule in the new municipal councils. Under OFA provisions a census was organized in 2002, after which a new territorial division of the country was determined and a new law for local government was enacted.¹⁰ The Republic of Macedonia has a little over two million inhabitants. According to the 2002 census, 64.2% are Macedonian, Albanian 25.2%, Turkish 3.9%, Roma 2.7%, Serb 1.8% and other 2.2%.¹¹

As stipulated in the OFA, the new law transposed a wide range of competences to the local level, including the management of primary and secondary education, medical and social services and all cultural institutions and activities. Municipalities also have the right to cooperate with each other, for instance by establishing joint activities and services. Local authorities may impose new taxes and also raise money on the domestic and international financial markets.

The new local administration will encompass the existing ministerial branches in the municipalities. The chief of the local police will be elected by the municipal council following proposals by the Ministry of Interior. It will propose at least three candidates of whom at least one is a member of the ethnic community that forms the majority in the municipality. In some cases one regional police station covers several municipalities. In those cases the majority in all municipal councils has to support the new chief of police. The chief of police will also need to discuss security issues with local government institutions. In future security institutions will have to balance their loyalty between the central and the local government.

Decentralisation: from top down

Expectations of the population in regard to the decentralisation process differ according to the ethnic background of the population. According to an opinion poll in June 2005, sponsored by the United Nations Development Program (UNDP), 47% of the population believe that decentralisation will improve their lives, 28% expect no changes and less than 12% fear negative developments.¹² The number of optimists rose significantly since the March poll, when only 36% had positive expectations. The polls convey that the rise of support for decentralisation mostly comes from ethnic Macedonians (from 30 to 43%), while the support of ethnic Albanians is quite high and stable between 56 and 62%. Albanians look forward to greater community rights but also to possibilities to have effective rule, while around 30% of Macedonians still object to the minority rights already enacted in laws.

Decentralisation so far has been implemented from the top down. The largest part of all activities was undertaken by an inter-Ministerial working group.¹³ Most of the 36 particularly relevant laws have been enacted.¹⁴ The start of the decentralisation has been followed with some controversies. For instance, mayors complain because of the lack of funding for new administrative capacities. They say that they do not have financial means to

⁹ Law for territorial organization of the local self-government in the Republic of Macedonia, Official Gazette, No 55/2004, Skopje, August 2004

¹⁰ Law for Local Government, Official Gazette of the Republic of Macedonia, No 5/2002, Skopje, January 2002

¹¹ State Statistical Office, Republic of Macedonia, <www.stat.gov.mk> (accessed on 04.08.2005)

¹² UNDP, Early Warning Report, Skopje, June 2005, <www.undp.org.mk> (accessed on 20.07.2005)

¹³ Program for decentralisation implementation 2004 – 2007, Ministry of Local Self-Government of the Republic of Macedonia, <www.mls.gov.mk> (accessed on 05.08.2005)

¹⁴ Decentralisation operational program 2003 – 2004, Ibid <www.mls.gov.mk> (accessed on 05.08.2005)

pay for the employees from ministerial branches transferred to the administration of the municipalities. Indeed, the Government, trying to avoid financial misuses, provides limited finances. It has also imposed a two year ban on money raising by the municipalities.¹⁵ Before being permitted to raise money, the municipalities, according to the Government, have to prove that they can manage a budget. Indisputably, local governments, especially in rural areas, show weak capacities. There are big socio-economic disparities between the municipalities. Some municipalities had budgets in millions of euros and hundreds of employees, while some had no more than one employee and budgets in thousands of Macedonian denars.¹⁶ The public awareness about the role of local government and the purpose of the reforms is low.¹⁷ Communication between the local and central government has been weak and sporadic, while cooperation between bordering municipalities is rather an exception than a rule. In some multi-ethnic communities, there are strong ethnic tensions and distrust. According to the Ministry of Local-Self Government, by August 2005, only two from 24 surveyed municipalities have completed the transfers of employees and property from central to local authorities.¹⁸

However, the biggest problem arising so far in the decentralisation is the municipalities' debt. Inherited arrears are mostly toward construction companies since the Government has cancelled the debts toward public utilities companies. Some municipalities have debts that are 10 times the size of their budget. The Government is proposing negotiations between municipalities and construction companies to reprogram the debts and organizing an international donor conference to solve this issue. The municipalities would prefer to have Governmental support in debts servicing. International representatives do not support the idea of an international donor conference. Each municipality has its own debts specifics. Therefore servicing the debts must come from the local budget, but support and resources from the central state budget must also be assured especially for the small and poor rural municipalities.

The Association of Units of Local Self-Government is the focal point of decentralisation and the major beneficiary of foreign aid in this process.¹⁹ In 10 working groups, the Association and the Government jointly monitor the transfer of competences, analyse problems and offer solutions. At the initial stage of the decentralisation, when addressing common problems and negotiating with the Government, the municipalities seem to be speaking with one voice. For example, negotiating with the Ministry of Finance on the servicing of debts or discussions with the Ministry of Education on transfer of competences goes through panels organized by the Association where the views of the municipalities are expressed jointly.

Foreign aid for the decentralisation

The most prominent international actors involved in the decentralisation efforts since 1997 have been USAID and the EU. The USAID presence has been stronger and more visible. Since 1999 their Local Government Reform Project is implemented by Development Alternatives Inc. through a locally based project.²⁰ The EU involvement has been more sporadic and following a less clear strategy. From 1997 to 1999, experts through the EU PHARE program supported the decentralisation activities of the Government, while from 2001 onwards the support is provided through the CARDS program and the European Agency

¹⁵ Law on financing the units of local self-government, Official Gazette, No 61/2004, Skopje, September 2004

¹⁶ Data and indicators of municipalities in Macedonia, UNDP, Skopje, November 2004, <www.undp.org.mk> (accessed on 02.08.2005)

¹⁷ National Human Development Report 2004 FYR Macedonia, Decentralisation for Human Development, Ibid, Skopje 2004 <www.undp.org.mk> (accessed on 02.08.2005)

¹⁸ Cf. Small municipalities handling decentralisation with difficulty, in: A1 TV station <www.a1.com> (accessed on 23.08.2005)

¹⁹ For more details see <www.zels.org.mk> (accessed on 22.07.2005)

²⁰ Local Government Reform Project, <www.lgrponline.com> (accessed on 10.08.2005)

for Reconstruction (EAR).²¹ So far EAR's activities have been focused on post-conflict institutional and confidence building measures, rebuilding of local infrastructure, and promoting Citizens Service Information Centres to communicate the benefits of decentralisation. From January 2005 on EAR has started a 6.4 million euro project to assist the Ministry of Local Self-Government in the decentralisation.

Some EU member states also have been involved. A series of mutual visits were organized between mayors and municipal administration from the UK and the Republic of Macedonia. Germany, mostly through the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), has supported development of local enterprises and infrastructure projects. GTZ is starting a 1.7 million euro project for 19 municipalities aimed at local economic development. The EU is supporting the establishment of two regional garbage collection and recycling centres. Other international organizations that have supported the decentralisation are the OSCE, the Swiss Agency for Development and Cooperation, the SOROS Foundation and UNDP. Together with the Association of Units of Local Self-Government they have mostly been involved in training local administration and preparation of guidelines and hand books for the new municipal officials.

3. Decentralisation perspectives

Power sharing and elections spoils can fuel new ethnic tensions. It is a common belief that the dominant ethnic community in a local community will be better off after the decentralisation. Research done by the Institute for Sociological, Political and Juridical Research show that people are not satisfied with the previous work of the local government and do not expect anything better from the new ones.²² So far the Mayor and local councils have had little cooperation with citizens groups or NGO's. Local government has been predominantly influenced by party politics cleavages. Local elections were held in March 2005 and working practices under the new wide competences are still developing. Opposition parties won in major cities, including the capital where the independent candidate Trifun Kostovski was elected. On the other hand the parties from the ruling coalition won more mayors' posts in smaller municipalities and slightly more votes for council's seats.²³ According to an OSCE/ODIHR report, there were numerous irregularities in about 18% of the polling stations.²⁴ The Ministry of Justice is preparing changes to election legislation to prevent future irregularities. Election results show that all around the country coalitions and consensus will have to be key practices in order to have functional councils and effective local government. The chances for this to happen are quite small. For example, the Kičevo municipality council could not elect its president four months after the local elections and two months after the start of decentralisation. If consensus is not adopted as a practice many other councils may find themselves in situation of political stalemate.

Party politics and political campaigns are the tip of the problems facing the decentralisation. Local politicians have used the ongoing decentralisation in slandering their adversaries. As 2006 Parliamentary elections approach the debate will become even more heated. Especially since some of the newly elected mayors have been recently appointed heads of the local party branches and will take a prominent part in the election campaign.

Generally, future decentralisation challenges can be set in four distinctive categories: security, political, economic and social.

²¹ FYR Macedonia, EAR, <www.ear.eu.int/macedonia/macedonia.htm> (accessed on 11.08.2005)

²² Functioning of the local self-government in the Republic of Macedonia, ISPPi Report, <www.zels.org.mk> (accessed on 22.07.2005)

²³ Barometer – Political and Party Development in the Republic of Macedonia, ISPPi; Issue N.12, Skopje 2005

²⁴ Final report on municipal election in the former Yugoslav Republic of Macedonia, 13 and 27 March, and 10 April 2005, OSCE, <<http://www.osce.org/odihr-elections/documents.html?lsi=true&limit=10&grp=212>> (accessed on 22.08.2005)

Security dilemmas

In future, the local chief of police will be under the political influence of the Ministry of Interior and the local government. Local political problems will play a role in solving security issues and upholding the rule of law at the local level. The Ministry of Interior may not always be capable to provide balance to this approach. There is a risk of possible tensions over the security perceptions of the local government and the Ministry of Interior. The recent events in Kondovo set a dangerous precedent because instead of applying the law through appropriate institutions, negotiations with criminals took place. If this practice continues, the rule of law will be further undermined. If not tackled in adequate ways, local criminals can find allies in local government that will have its say over local policing.

Police actions are sometimes constrained by the practice of inter-ethnic consultations in the parties of the ruling coalition and high exposure to publicity during such actions. In this context, Michael Salin, the EU special envoy in Macedonia, requested upholding the rule of law and making no exceptions.²⁵ Yet, the Kondovo stand-off got another ending.

Also, there is a pattern of framing security issues in the public debate primarily in a political context. Local security will be more sustainable if local security issues are not always wrapped in political context. Otherwise political issues can also cause security dilemmas. Recently, ethnic Albanian leaders in Macedonia clashed over the true nature of the events in Kondovo and other destabilising developments. The former Prime Minister of neighbouring Albania, Fatos Nano, and the leader of DUI, the junior partner in the Government, Ali Ahmeti, tried to disown Albanian involvement with armed groups in the Republic of Macedonia by connecting them publicly to Islamic fundamentalism.²⁶ However, the leader of the opposition Albanian party in the Republic of Macedonia, DPA, Arben Xaferi, and Agim Krasniqi said that the armed groups in Kondovo and other parts of north-west Macedonia have nothing to do with Islamic fundamentalism, but with Albanian interests.²⁷

Political issues

The mayors have wide competences in the new decentralisation legislation and some have already tried out their new roles. For instance, the mayor of Gostivar, Nevzat Bejta, seems keen to preserve municipal property. He has evicted all political parties using offices in the municipal building, but also poor people who lived in lodgings owned by the municipality. The Mayor of Skopje, Trifun Kostovski, has refused the transfer of authorities and employees from the central government. While he explained his move by the necessity first to ensure greater transparency, his political ambitions and attempts to display political authority cannot be overlooked. Mayors in seven other municipalities have replaced 21 school directors without clear legal competences to do so. The mayor of Aračinovo permits the unlicensed building of a monument to fallen fighters of the Albanian Liberation Army (NLA), the armed groups in Kosovo and the Republic of Macedonia.

The Albanian flag and language are now in use in some municipalities, but not without objections from the Macedonian side. After an incident where the Albanian flag was torn down in the multi-ethnic municipality of Brvenica, the municipal council unanimously condemned the act.²⁸ On the other hand, the ruling DUI has called mayors from this party to fully respect the law for the usage of flags.²⁹ Before this, mayors in Albanian ruled municipalities had displayed the Albanian flag in manner inconsistent with the new law. For example in Lipkovo municipality the Albanian flag was kept raised the whole time while the

²⁵ Cf. Interview with Michael Salin, in: A1 TV station <www.a1.com.mk> (accessed on 06.08.2005)

²⁶ Cf. Islamists in Kondovo, in: Dnevnik <www.dnevnik.com.mk> (accessed on 08.08.2005)

²⁷ Cf. Xaferi: There is no Islamic extremism in Macedonia, in: A1 TV station and cf. We are Albanians and not Mujahedins, in: Ibid <www.a1.com.mk> (accessed on 12.08.2005)

²⁸ Cf. Albanian flag taken down with force, in: Utrinski Vesnik <www.utrinski.com.mk> (accessed on 06.08.2005)

²⁹ Cf. DUI demands Macedonian flag to be raised, in: Dnevnik <www.dnevnik.com.mk> (accessed on 30.07.2005)

new law provides using symbols of minorities only at holidays.

The upcoming campaign for parliamentary elections in 2006 will divide the council members further between party lines and confront mayors of opposition parties with the central government. Other issues that may stir unrest are the upcoming new law for the usage of minority languages, as well as the equitable representation of minorities in local administration. In addition, some rural municipalities are unlikely to develop sufficient administrative capacities to provide functional services. Co-operation between municipalities in some regions is a necessity. However, minorities tend to be concentrated in certain regions thus forming compact territorial entities. The majority of Albanians live in regions bordering with Kosovo and Albania. So, if cooperation among municipalities is perceived as creating separate ethnic areas in the country and thus fostering separatism, critics of decentralisation will profit.

On the other hand, there are demands by some political leaders of the Albanian minority that go beyond the OFA. Fazli Veliu, MP from DUI, demanded that the Albanian language be used all over the Republic as the second official language and DUI's party whip Rafiz Aliti requested a Constitutional amendment to establish a new office, the vice-president of the republic, that should always be occupied by an ethnic Albanian.

Economic problems

Unemployment is one of the biggest problems in the Republic of Macedonia. In the first time decentralisation will cause further rise of unemployment at the local level because transfer of employees goes together with downsizing programs. For upcoming scarce employment possibilities in local administration, beside quality criteria, candidates will face election spoils and equitable ethnic representation criteria. Legal uncertainties exist providing both the mayor and the State Agency for Public Administration with competencies over employment in local administration.

Having huge debts, inefficient resources and little control over assets, most municipalities will not be able to start economic reconstruction and development. Debts servicing will continue to take away good part of the municipal budget. With the existing legal constrains, the financial management at the local level is unsustainable. Financial revision and control is poorly organized and left in the hands of the local government which is also in charge of spending. The maximum penalty for financial misuses is little under 1 000 euros or about the size of a mayor's two months salary.

Social problems

The greatest problems in the country, unemployment and poverty, will not be solved only by means of decentralisation. This is contrary to the main promises made in the last local election campaign. Elected officials will not deliver and people's expectations will not be met. Social revolt can easily turn into political protests and ethnic conflicts. Local revenues and municipal budget will come as financial transfers from the central government, but will also be collected from the tax-payers.

Citizens are slowly recognising the burden of decentralisation. For instance, in Ohrid, the country's main tourist designation, the local council introduced a new tax on music played in any establishment serving drinks or food.³⁰ In another case the municipal council in Kičevo has increased the price of water supply by 45%.³¹ It is likely that councils will try to introduce new and in a way creative taxes to raise the much needed funds. Citizens will have to bear a big part of the costs and in the present constellation acts of revolt and citizens protest are likely to happen on the local level.

³⁰ Cf. Ohrid discovers tax on music in cafes, in: Vreme <www.vreme.com.mk> (accessed on 27.07.2005)

³¹ Cf. Utilities more expensive in Kičevo, in: A1 TV station <www.a1.com.mk> (accessed on 22.08.2005)

4. Policy recommendations

Complex and multi-level problems facing decentralisation can only be solved in joint efforts between the Government of the Republic of Macedonia and the municipalities. But support of the EU and other international actors is still much needed to sustain the positive momentum and development of the country. The actors should consider the following policy recommendations:

Recommendations to the European Union

- The EU should grant the Republic of Macedonia the status of an EU candidate member country. The EU would show that the decentralisation process is the way forward to the country's eventual EU membership. Momentum of decentralisation efforts would be sustained in political and financial terms. Political benefits in terms of stabilising effects can be reaped without immediately starting accession negotiations.
- The EU should continue stimulating municipal and cross-border regional cooperation. From 2008, the Republic of Macedonia will have two EU member states as neighbours (Greece already and Bulgaria by the latest in 2008). Access to INTERREG III program is a feasible contribution for the country's EU accession.

To the Government of the Republic of Macedonia

- The Government should continue with cautious and restrained police actions, but it should make it clear to all concerned that criminals must eventually face the charges and also be penalised. The rule of law should not become a victim of political compromises.
- The Government should establish a fund for municipal development. At first it could be used for servicing debts and later for local development project.
- The Government should propose to the Parliament amendments of the decentralisation legislation that would check the powers of mayors and introduce stronger financial control over municipal spending. Multiple levels of local government, such as regional governments, also need to be considered for the sake of providing quality services in rural areas.

To officials of the local government

- Local political actors should seek inter-ethnic consultations and where applicable party coalitions.
- Local authorities should introduce youth engagement programmes, especially in multi-ethnic communities.
- Local authorities should enhance communication with citizens in policy making, especially when local taxes are involved.
- Local authorities should enhance co-operation among the municipalities, especially regional economic development projects.
- Local authorities should avoid treating their governance as a party politics issue. They should use local experts in work of municipal commissions.

To all actors

- As an added value, where it is appropriate promote the lessons learned and best practices of the OFA and decentralisation in the Republic of Macedonia to similar situations in the region