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ESE's work on promotion of fiscal transparency in the Republic of Macedonia

# PEOPLE'S MONEY IS SPENT IN OPAQUE MANNER,

## ABSTRACT

The Association ESE recognized fiscal transparency as basic precondition for exercise of the fundamental right to health, and from 2012 onwards started using budget monitoring and analysis tools that allow identification of actual costs and benefits created by government activities. By engaging in monitoring activities and drafting shadow reports, ESE is able to check-and-balance relevant performance of public health institutions responsible to guarantee the right to health. In that, ESE closely cooperates with civil society organizations at national and local level, and works on building their capacity in the field of budget monitoring and analysis and in the field of fiscal transparency.

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## SOME INSTITUTIONS ACCOUNT FOR THEIR PUBLIC SPENDING ONLY WHEN PRESSURED



„Fiscal transparency is of crucial importance for public institutions to present their operation before the public, i.e. to demonstrate results in terms of what they are planning and implementing, thereby providing an opportunity for citizens and the general public to monitor and assess their performance, as well as to make specific recommendations for improvements, because closed institutions and lack of publicly available information means that institutions hold the exclusive right to make decisions, while citizens have no opportunities to influence these decisions”

- says **Darko Antikj**, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.

## ABSTRACT

In spite of the fact that 12 years ago Republic of Macedonia adopted the Law on Free Access to Public Information that stipulates obligations for state institutions to operate transparently, ESE's research activities and studies have shown different situation in the practice. In particular, ESE's research and work have shown that public institutions are transparent

only when pressured, i.e. when they are subjected to monitoring and are held accountable for their performance. In particular, it was observed that public institutions demonstrate better performance when they are monitored. Moreover, progress in transparency and better performance were noted also by employees at institutions monitored by ESE, as well as by the

Commission for Protection of the Right to Free Access to Public Information. This association is committed to improve information of citizens about fiscal transparency in Macedonia and for that purpose designed the thematic website [fiskalntransparentost.org.mk](http://fiskalntransparentost.org.mk) and implements the campaign "Fiscal Transparency Macedonia".

## INTRODUCTION

Fiscal transparency serves as window for citizens to see how governments spend people's money and to hold them accountable when public funds are spent inadequately. Fiscal transparency allows effective public finance management and strengthens the public's trust in public institutions and in their performance. It implies publication of fiscal information and involvement of citizens in fiscal policy development and decision-making processes. Fiscal transparency includes disclosure of information of all funds and obligations of the public sector, as well as revenue and expenditure approved under annual budgets adopted. Fiscal transparency implies great benefits for the citizens, as they are provided information that allows them to request public institutions to account for spending of state budget funds replenished by taxpayers.

Therefore, in order to facilitate monitoring of programme and budget implementation of preventive health programs under the Ministry of Health's budget and to assess citizens' access to preventive health services, in 2012 ESE started active work on improving fiscal transparency of public institutions, with special focus on public health institutions. In particular, the need to work on improving fiscal transparency emerged from the public health sector's inability to secure sufficient, quality and timely information that could be used to assess its functionality, efficiency, effectiveness and cost-effectiveness

in provision of basic public health services to citizens.

In the Republic of Macedonia, single regulations that facilitate public access to information about operation and performance of public institutions include the Law on Free Access to Public Information, while publication of documents is regulated under separate laws in their respective areas of work. In spite of this, the public continues to have limited access to public information, while the institutions fail to demonstrate preparedness for voluntary publication of information on their respective performance. This is particularly prominent in the field of financial operations. Citizens' participation in decision-making and government policy development processes, as well as in setting priorities and allocating funds under public budgets remains to be largely undermined topic among the authorities, while the public still lacks information about their rights in this regard.

Work on promotion of fiscal transparency includes series of actions such as: assessing compliance with broadly accepted principles on transparent operation and publication of documents created during implementation of general fiscal policies; stimulating transparent operation on the part of state institutions by regular use of the instrument for free access to public

information; following activities taken by other states to increase transparency of fiscal operations; monitoring policy development on the issue of transparency in the Republic of Macedonia, and assessing fulfilment of obligations assumed in terms of transparency.

In addition to these actions, ESE implements other specific actions aimed to inform the public about state-of-affairs in the Republic of Macedonia and about their rights in this field; to assess citizens' participation in operation of public institutions and encourage them to independently request involvement and to initiate changes of common practices at public institutions. Furthermore, ESE is member of international initiatives for promotion of transparency and accountability of governmental processes and is committed to increasing the scope of publicly available information on government operation. For the purpose of attaining its goals, ESE engages in continuous capacity building of its staff members and of other civil society organizations.



# 1. FISCAL TRANSPARENCY AS PRECONDITION FOR EXERCISE OF THE FUNDAMENTAL RIGHT TO HEALTH

In 2011 ESE started to actively use the methodology of budget monitoring and analysis to assess planning and implementation of preventive health programs under the Ministry of Health's budget and citizens' access thereto.

In that regard, ESE initiated two essential approaches to information collection that facilitate achievement of its overall goals, those being: collection and analysis of publicly available information and documents by means of which public institutions present information about their plans and implementation of all preventive health programs, as well as collection and analysis of publicly unavailable information that would allow insight in implementation of individual activities and execution of respective budgets allocated for these programs.

In the practice ESE found that scope and type of publicly available information on planning and implementation of preventive health programs is very limited, i.e. publicly available information prevent adequate monitoring and assessment of these programs. According to ESE, publicly available information and documents include: adopted budgets that show total amount of budget funds approved per preventive health program, but fail to provide detailed overview of activities planned under individual programs and their approved budgets; end-of-year budget statements that also include data on total amount of funds spent per program, but fail to provide breakdown of individual activities and amounts of funds spent per activity, etc.

In order to address these barriers and secure detailed information and data on planning and implementation of programs, ESE relied on the Law on Free Access to Public Information. Hence, for the purpose of addressing shortcomings in publicly available documents and information, this association used the instrument for free access to public information and addressed institutions responsible for coordination and supervision of preventive health programs with requests for summary information on their implementation (for example, the Ministry of Health was requested to provide information on the number of non-immunized Roma children identified as part of their field visits), without requesting the institution to substantiate disclosed information by providing relevant internal documents (for example, programme and budget implementation report for the Program for Active Health Protection of Mothers and Children). This approach to requesting information by relying on the instrument for free access to public information prevented ESE to obtain actual image about state-of-affairs and to make realistic assessment of effectiveness and efficiency in implementation of preventive health programs.

*„In 2011, information requests inquiring about planning and implementation of preventive health programs were submitted on semi-annual basis. First sets of data disclosed concerned activities in the first half of 2011. They were processed and translated into semi-annual report on implementation of preventive health programs. The same process was repeated with annual data. However, annual data on implementation of the Program for Active Health Protection of Mothers and Children differed from those provided for the first six months. In other words, data about the scope of program activities implemented and the amount of spent funds allocated by the Ministry of Health for the first six months were higher compared to data presented at the year's end. Such difference in data prevented us to assess program implementation and necessitated new direction of our work in terms of requesting copies of specific documents after every calendar year and requesting same set of documents from different sources”*

**- says Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**

**BUILDING PARTNERSHIPS AND CREATING A CRITICAL MASS OF ORGANIZATIONS THAT WORK ON PROMOTION OF TRANSPARENCY AND ACCOUNTABILITY OF INSTITUTIONS IN THE PUBLIC HEALTH SECTOR OF THE REPUBLIC OF MACEDONIA IS A KEY ASPECT OF ESE'S WORK.**

Insignificant number of civil society organizations is actively engaged in monitoring operation of public institutions and especially in monitoring budget operations of public health institutions.

Such inactivity on the part of civil society organizations gives exclusivity to public institutions in terms of planning and implementing health policies and measures. In turn, this has contributed to creation of public system marked by highly closed institutions and opaque operation. On the account of inaccessible public institutions, processes on planning and implementing health policies and measures are closed to the public and result in policies and measures that fail to reflect actual needs and interests of citizens. Moreover, the Republic of Macedonia is characterized by absence of the culture of civic engagement (that implies active involvement of citizens in all stages of decision-making processes), which is a result of non-functional mechanisms for civil participation in decision-making processes and absence of practices for mobilization and empowerment of larger number of citizens that would later practice independent involvement in public processes. At the same time, the current situation is a result of insufficient knowledge among civil society organizations about benefits and methods of monitoring budget operation of public institutions and about procedures for data collection and analysis.

ESE is the first organization in the Republic of Macedonia and in the region to apply the methodology of budget monitoring and analysis and to monitor performance in the field of fiscal transparency, with focus on the public health sector. Hence, in order to increase the number of civil society organizations that use this methodology in their work and thereby influence transparency and accountability of the public health sector, this association initiated development and implementation of training and mentorship programmes for civil society organizations in the country and in the region, thereby creating a group of organizations that would jointly and in organized manner advocate for changes in operation of the public health sector.

From 2011 to present, ESE delivered series of training events on budget monitoring and analysis, budget advocacy and budget transparency, intended for grass-root civil society organizations that work on health promotion and access to healthcare. These training events were attended by more than 200 persons. When delivering training in the Republic of Macedonia in the last years, ESE cooperated with organizations profiled in work with Roma and other marginalized groups of citizens, including KHAM from Delchevo, IRIZ and CDRIM from Shuto Orizari, LIL from Gyorche Petrov, Roma SOS from Prilep, NRC from Kumanovo, "Stronger Together" from Skopje, HOPS from Skopje, HERA from Skopje, "Pulmonary Hypertension" from Gevgelija, "Hemolog" from Skopje, etc.

One of them is the Initiative for Development and Inclusion of Communities - IRIZ from Shuto Orizari. IRIZ works on development programs for the Roma community and in the last two years is actively engaged in promotion of fiscal transparency at local level. As part of its efforts on building capacity for other civil society organizations, ESE cooperates with IRIZ and provides mentorship support for public data collection and processing of data collected from the Ministry of Health, Healthcare Centre in Skopje, Regional Offices of the Polyclinic in Chair, the Healthcare Station in Shuto Orizari, as well as information from gynaecology practices and outreach nurses working in the Municipality of Shuto Orizari.



*„We submit information requests and use disclosed information in our monitoring activities. Last year we submitted 40 information requests. Around 90% of information requested was disclosed by addressed institutions, but some of them were unable to respond due to the scope of information requested, as was the example of information requested from outreach nurses. ESE provides logistic and mentor support in processing information obtained from institutions”*

**- says Fadilj Djemail from IRIZ.**

ESE assists the organization HOPS to monitor planning and implementation of drug-related harm reduction programs and to analyse relevant budget allocations for these programs by the Ministry of Health. HOPS - Healthy Options Project Skopje actively cooperates with ESE for 5 years now, i.e. from the start of their activities related to budget monitoring and analysis. Cooperation between ESE and HOPS includes delivery of training on budget monitoring and analysis, technical support for planning and implementing the methodology of budget monitoring

and analysis; and joint advocacy before competent institutions for the state to assume responsibility to finance drug-related harm reduction programs after the Global Fund withdraws its support. Hence, in 2017 ESE and HOPS worked together to analyse collection, allocation and spending of funds intended for the Ministry of Health as share of public revenue from tobacco and alcohol excise taxes and to identify additional funding options for drug-related harm reduction programs by re-allocation of unspent funds under different budget accounts.

*„Several staff members at HOPS were trained by ESE on budget monitoring and that training progressed into daily communication. Before that we were aware of each other's existence, but did not engage in significant communication. Moreover, we contract ESE staff members as consultants for some activities implemented by our organization. Last year we worked with ESE on budget analysis of funds allocated to the Ministry of Health as share of public revenue from tobacco, alcohol and beer excise taxes. This*



analysis was published and was used to advocate for funding of programs implemented by our organization. The idea is for portion of funds allocated to the Ministry of Health from tobacco, alcohol and beer excise taxes to be used for addiction programs implemented by civil society organizations. In particular, the analysis showed that only 3 percent of these funds are intended for addiction-related issues. Having in mind that tobacco and alcohol create addiction, we believe that the share of allocated funds should be much higher and that funds collected as excise taxes



should be allocated for prevention and treatment of addictions created by these substances. ESE's analysis helped us immensely in that regard and this year we are working on another analysis targeting the manner in which public revenue collected from excise taxes is spent"

**- says Vlatko Dekov from HOPS.**

## WORK ON TRANSPARENCY ASSESSMENT

Regular activities of ESE include assessment of reactive and proactive transparency demonstrated by public institutions in terms of sharing and publishing information related to their budget execution and programme implementation, by using relevant measurement and assessment methodologies. To date, ESE published five independent reports with assessments on reactive and proactive transparency of public institutions in the Republic of Macedonia for 2013, 2014, 2015, 2016 and 2017. ESE developed and implements this methodology from 2012. Every year ESE makes efforts to increase the number of public institutions covered by their assessment of proactive transparency. Namely, in 2013 ESE assessed proactive transparency of seven public institutions, while in 2017 their number was increased to 25. In 2013, the methodology on assessment of reactive transparency targeted 40 institutions, while in 2017 their number was increased to 68 public institutions.

ESE monitors operation of institutions that are covered by this association's regular activities under the Program on Budget Monitoring and Analysis, such as implementing entities of the Program for Active Health Protection of Mothers and Children, Program for Early Detection of Malignant Diseases, Program for Systematic Check-Ups of Pupils and Students, Program on Treatment of Rare Diseases or institutions responsible for taking decisions on promotion of women and children health in the Republic of Macedonia. Hence, ESE monitors and assesses compliance with the Law on Free Access to Public Information by all health centres in Macedonia (32), all centres of public

health (10), number of clinics, i.e. clinics in Bitola, Shtip and Tetovo, General Hospital in Strumica, Special Hospital of Gynaecology and Obstetrics in Chair, University Clinic of Gynaecology and Obstetrics, and institutions responsible for decision-making and policy-development, such as the Ministry of Health, Ministry of Finance, Ministry of Labour and Social Policy, etc.

*"Basic parameters used to assess reactive transparency include the number of information requests responded under the law-stipulated procedure, the number of rejected information requests, the number of terminated procedures on free access to public information, the number of appeals lodged upon information requests, the number of appeals lodged on the grounds of public administration silence, the number of appeals lodged on the grounds of poor quality of responses obtained, and the period in which institutions respond to information requests. Assessment of individual institutions is calculated as average score of assessments under all parameters indicated above. In addition, it should be noted that individual procedures (i.e. individual information requests) are assessed against each of the above indicated parameters. Assessment of procedures led upon information requests is made on the scale of three levels, as follows: transparent institution (score of 2 or green light), partially transparent institution (score of 1 or yellow light) or non-transparent institution (score of 0 or red light)"*

**- explains Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**

In addition to capacity building of civil society organizations in the county, in the recent period ESE is focused on capacity building and experience exchange with representatives of civil society organizations from Lithuania, Georgia, Bulgaria, Ukraine, Belarus, Kazakhstan, Tajikistan, Serbia, Montenegro and Bosnia and Herzegovina.

In the same period, ESE published manuals on budget monitoring and advocacy intended for organizations that work in the field of healthcare and drug-related harm reduction.

Reports on **responsive transparency** developed and published by ESE are used by public institutions, civil society organizations and national media as relevant source of information to present state-of-affairs and progress made in terms of public institutions' compliance with the Law on Free Access to Public Information, initiation and implementation of public sector reforms in the Republic of Macedonia, and steps taken to advance public institutions' actions in procedures on free access to public information. It should be noted that **public institutions improved their reactive transparency in the last 5 years, i.e. they improved their actions in procedures on free access to public information.** ESE's contribution in this field is confirmed by findings enlisted in their report indicating decreased number of institutions assessed as non-transparent in terms of responsive transparency, shortened

period of time needed by institutions to disclose public information under official procedures led upon information requests, decreased number of appeals lodged on the grounds of administration silence, decreased number of rejected information requests or termination of procedures led upon information requests, etc. Aimed to promote protection of the right to free access to public information and as result of ESE's continuous advocacy, the Ministry of Justice initiated procedure to amend the Law on Free Access to Public Information. In order to ensure continuous progress on the part of public institutions in terms of enforcement of the Law on Free Access to Public Information, in 2017 ESE submitted 1,345 information requests addressing total of 68 public institutions and lodged total of 120 appeals upon rejected information requests.

As regards proactive transparency of public institutions, ESE monitors publication of 16 key programme and budget documents on official websites of monitored public institutions, such as strategic plans, annual work programs, documents on proposed and adopted budgets, documents on proposed and adopted budget adjustments, end-of-year budget statements, audit reports, citizens' budget i.e. budget's simplified version, officials assigned as contract persons or persons responsible for free access to public information, and lists of public information pursuant to the Law on Free Access to Public Information.

Reports on **proactive transparency** developed and published by ESE are used by public institutions, civil society organizations and national media as relevant source of information to present state-of-affairs and progress made in terms of public institutions' proactive publication of programme and budget documents, initiation and implementation of public sector reforms in the Republic of Macedonia, and steps taken to increase number of documents and information to be disclosed by public institutions. ESE's

contribution in this field is confirmed by the fact that, in October 2017, the Government of the Republic of Macedonia adopted the list of documents and information which all line ministries are obliged to publish on their websites. This list anticipates publication of 21 documents and datasets related to programme and budget operation of all ministries.

**BY DEVELOPING SHADOW REPORTS, ESE AIMS TO CORRECT UNEQUITABLE EXERCISE OF THE FUNDAMENTAL RIGHT TO INFORMATION AND THE RIGHT TO FREE ACCESS TO PUBLIC INFORMATION**

Relying on already established mechanisms that monitor fulfilment of commitments the state has assumed by joining international initiatives and by accepting certain international standards in the field of fiscal operation and transparency, ESE develops so-called "shadow reports" that serve to correct unequitable exercise of the fundamental human right to information and the right to free access to public information. In particular, ESE has addressed opaque fiscal operation on the part of public institutions in the Republic of Macedonia which limits citizens' access to basic public services in the fields of health care, social protection, etc. under several shadow reports, as follows: shadow reports to the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW, 2015 and 2018); shadow reports to the International Covenant on Economic, Social and Cultural Rights (ICESCR, 2007 and 2016); shadow reports to the Open Government Partnership (2015 and 2017).



**Having in mind the importance of the Open Government Partnership, ESE actively participates in its implementation at national and international level, and diligently monitors realization of activities under OGP National Action Plans.**

Republic of Macedonia joined the Open Government Partnership in 2011 and has committed to open and consultation processes with civil society organizations aimed at promotion of transparency, accountability and openness of public institutions by taking series of specific actions. Hence, the Open Government Partnership provides an opportunity for civil society organizations, for the first time and under participatory process, to propose actions and implement them in cooperation with public institutions. ESE recognized this initiative as an opportunity to advocate for and to support promotion of transparency and accountability of the public system in cooperation with other civil society organizations, and as an opportunity to indicate obstacles identified in performance of public institutions which, under different circumstances, would not have been recognized as needs and priorities by the

by ESE, those being: development and publication of semi-annual and annual reports on programme and budget implementation of preventive and curative health programs on the official website of the Ministry of Health; amendments to the Law on Free Access to Public Information; publication of complete datasets on foreign aid approved and allocated to public institutions; publication of complete datasets on foreign investments in the Republic of Macedonia; implementation of public awareness campaign to inform citizens about the right to information and the right to access to public information related to performance of public institutions; piloting the social accountability methodologies, etc.

*"It should be noted that public institutions implemented measures that are less harmful for them, and avoid implementation of measures that imply significant contribution towards improved state-of-affairs. For example, the measure on piloting social audit methodologies is not implemented.*

*by June 2018, so I do not believe this document will be implemented as planned. However, it is important to note that institutions demonstrate certain progress compared to implementation status of the previous OGP Action Plan"*

**- says Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**

By joining the Open Government Partnership, among other things, the Republic of Macedonia has committed to implementation of adopted measures that are translated into two-year action plans and to continuously report on progress in their implementation. Hence, based on findings obtained by active participation in and monitoring of this initiative, ESE started drafting shadow reports aimed to provide objective and independent overview of achievements attained, to identify problems and challenges related to OGP's implementation in the country, and to provide key recommendations for future improvements.

*"ESE develops shadow reports to help institutions overseeing performance of entities and bodies tasked to implement the action plan, for example, the Government of the Republic of Macedonia and international bodies and organizations, thereby allowing them to take relevant decisions aimed at improving this process at national and international level. In our shadow reports we provide different image about implementation of measures anticipated under national actions plans, i.e. provide different and actual perspective about state-of-affairs presented in reports developed by public institutions. Findings presented in shadow reports are based on ESE's insight in state-of-affairs as member of this initiative, publicly available information and information obtained pursuant to the instrument for free access to public information"*

**- says Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**

public health sector. From 2014, ESE is actively engaged in development, implementation and monitoring of measures under priority no.5 (fiscal transparency) and priority no.3 (freedom of information). As a results of ESE's continuous advocacy efforts within the national process of the Open Government Partnership in the period 2014-2016, the Government of the Republic of Macedonia adopted several measures proposed

*ESE organized educative sessions and meetings with the Ministry of Health, provided literature and guidelines for application of this methodology, and proposed programs where this methodology could be applied, but all activities stopped at that. Institutions, by means of decision taken by the Government of the Republic of Macedonia, are obliged to implement OGP measures in their entirety, but the current OGP Action Plan will end*



## 2. TRANSPARENCY OF PUBLIC PROCUREMENTS ORGANIZED BY THE PUBLIC HEALTH INSTITUTIONS AS BASIC PRECONDITION FOR QUALITY AND TIMELY PROVISION OF SERVICES AND EXERCISE OF THE RIGHT TO HEALTH

Although procurement of goods, services and works accounts for enormous amounts of funds under their respective budgets and under the Budget of the Republic of Macedonia, the public health institutions still face problems in provision of healthcare services. To great extent, public health institutions procure goods, services and works as part of public procurement procedures which are often used as possibility for abuses and malpractices due to large amounts of funds spent for this purpose.

Non-publication or partial publication of data about public procurements implemented by institutions in the public health sector raises concerns about non-purposeful, irrational and inefficient spending of taxpayers' money. Hence, it is of great importance for citizens to be informed about the manner in which these institutions manage and spend public funds.

Focusing monitoring activities on inquiring whether funds allocated under health programs are spent in purposeful manner as planned, without taking into consideration whether public institutions have spent these funds in compliance with underlying principles of quality, cost-effectiveness, needs, timeliness, etc., hindered ESE's efforts to provide an overall assessment of implementation of health programs and to establish reasons why citizens are facing obstacles in accessing healthcare services under conditions when public health institutions reported full implementation of budget funds at their disposal. Therefore, in order to adequately address problems in the public health system and to propose adequate steps to address them, in 2016 ESE added new complementary

perspective to its previous work by introducing monitoring of public procurement procedures organized by public health institutions involved in implementation of programs that were in the focus of ESE's work. In the period 2011-2015, ESE monitored a total of 1,750 public procurement procedures organized by 62 public health institutions. As a result of its work in this field, ESE identified major shortfalls at these institutions in terms of providing information on implemented public procurements, which hindered attainment of the primary goal in this field of work and contributed to ESE focusing large portion of its work on promoting transparency and accountability of public institutions.

*"For 70% of monitored public procurements, institutions from the public health sector did not publish or published only portion of key information related to their respective public procurement procedures. More specifically, public health institutions publish data only about public procurements of low value and do not publish any information for public procurements of high value and those that imply higher costs"*

**- says Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**





# 3. FOREIGN AID IN THE PUBLIC HEALTHCARE SECTOR IS OF KEY IMPORTANCE

## TO SECURE NECESSARY HEALTHCARE SERVICES TO CITIZENS AND PRECONDITION FOR EXERCISE OF THE RIGHT TO HEALTH

Form year to year the health budget becomes more dependent on funds secured by the state from foreign sources in the form of credits, donations or grants. On the other hand, transparency in utilization of funds from these sources becomes increasingly lower. Therefore, as part of its monitoring and analysis of health programs ESE monitors execution of state budget funds in parallel with budget funds secured from credits, donations and grants. In order to complement data obtained from national health institutions related to utilization of funds allocated for implementation of health programs, ESE also collects data from international organizations, foreign governments and foreign crediting institutions. For example, it analysed spending of funds secured by the Ministry of Health as grant from the Dutch Government called "Orio", in the amount of 7,428,800.00 euros, intended to implement the project on promotion of health protection for mothers and children, on the basis of information collected from national institutions and institutions in the donor country.

*"When analysing implementation of the project financed by the Dutch Government, we relied on the instrument for free access to public information, addressing the Ministry of Health of the Republic of Macedonia and the Ministry of Foreign Affairs of the Netherlands. In that, competent institutions in the Republic of Macedonia responded that they do not dispose with data on implementation of this project, but dispose with information that a different institution is holder of relevant information requested. On the other hand, institutions in the Netherlands provided information wherein key data were blackened, with the explanation that their disclosure might affect economic interests of the grant beneficiary. Through the Open Government Partnership we attempted to open these data to the public, but it should be noted that the Ministry of Health and the Secretariat for European Affairs, two bodies competent for implementation of this grant, ping-ponged responsibility between them. In particular, the Ministry of Health declared itself non-competent and not in possession of requested information, referring us*

*to the Secretariat for European Affairs. At the same time, the Secretariat for European Affairs responded that although they appear as grant promoter in Macedonia and coordinate communication with the Netherlands, they are only responsible for registration of projects exempted from payment of VAT. As a result ESE spent the last four years in persuasions which of these two institutions is the relevant information holder and responsible for information disclosure"*

**- says Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**



## 4. INFORMATION FOR CITIZENS AS PRECONDITION FOR THEIR INVOLVEMENT IN DECISION-MAKING PROCESSES

*In communication with citizens, we observed major disappointment with the performance of the entire public system, primarily because they believe that public institutions do not respond to their requests, do not disclose information requested or fail to act upon their information requests, ultimately making them discontinue these efforts. It is especially important to work with citizens, so they would know how to exercise their right to information, but also to work with public institutions on strengthening their capacity to comply with their law-stipulated obligations, which would increase citizens' trust. In other words, the more public institutions are open to citizens and act upon their requests, citizens would be more informed and*

*able to oversee operation of public institutions and to participate in decision-making processes”*

**- says Darko Antikj, Program Coordinator for Budget Monitoring and Analysis at the Association for Emancipation, Solidarity and Equality of Women - ESE.**

In the Republic of Macedonia, the Law on Free Access to Public Information is the only instrument available to civil society organizations and to citizens to collect information on performance of public institutions, to monitor planning and implementation and to assess exercise of the right to health. Scope of publicly available information is very small, and therefore information requesters and information holders

have to engage in complicated and long bureaucratic procedures for disclosure of information on performance of public institutions.

Although the Republic of Macedonia adopted the Law on Free Access to Public Information 12 years ago, its enforcement track record is poor. Moreover, not all institutions comply with this law, making the process on obtaining public information complicated. On its journey to obtain necessary information, ESE found an ally in the Commission for Protection of the Right to Free Access to Public Information, an independent body that is held accountable for its operation before the Parliament of the Republic of Macedonia. In particular, this commission is presented with appeals in cases where public institutions fail to comply with their law-stipulated obligations on information disclosure.





**COMMISSION FOR PROTECTION OF THE RIGHT TO FREE ACCESS TO PUBLIC INFORMATION: CITIZENS DO NOT TRUST PUBLIC INSTITUTIONS, WHILE PUBLIC INSTITUTIONS DEMONSTRATE INERT BEHAVIOUR**

According to this commission’s experience, citizens rarely lodge appeals because they do not trust institutions and therefore do not use the Law on Free Access to Public Information to obtain necessary information, but rely on their personal channels. The fact that citizens rarely use the Law on Free Access to Public Information is confirmed by data on the number of appeals lodged before this commission by natural persons. In 2017, only 275 out of 785 appeals lodged were submitted by natural persons. Compared to the previous years,

insignificant increase is observed in terms of natural persons utilizing this legal remedy.

For example, in 2012 the Commission for Protection of the Right to Free Access to Public Information was presented with 1,225 appeals, of which only 151 appeals were lodged by natural persons, while the remaining 1,074 appeals were lodged by citizens’ associations and foundations.



*“When we travelled the country, citizens told us they do not trust institutions that are holders of requested information and therefore circumvent the law and use other channels. In smaller towns, all people are related or acquainted with each other and use these channels to obtain information. Some citizens come to us and we help them obtain requested information, and later say that if it was*

*not for this commission they would not be able to obtain needed information, although they had been sceptical that they would ever obtain that information”*

**- says Cveta Trajkovska from the Commission for Protection of the Right to Free Access to Public Information.**

The Commission for Protection of the Right to Free Access to Public Information implemented activities to introduce citizens to their right to free access to public information, but reported low interest among citizens for their activities. The Commission attempted to animate citizens at local level by means of municipal

assemblies, local newsletters and meetings, but encountered small interest. Local citizens were also introduced to the constitutionally-guaranteed right to free access to public information as part of projects implemented by OSCE and non-governmental organizations, which also reported low interest among citizens.

*“Citizens are still unaware of this right guaranteed by the constitution, i.e. the right to obtain information disposed by state institutions such as state administration bodies,*



*public enterprises, legal and natural entities performing public authorizations. As regards introduction of citizens with this right, we implemented one project with the Foundation Open Society – Macedonia and their grass-root partner organizations that cooperate with municipalities, which included organization of dozen training events to familiarize citizens with this right, but results thereof were unsatisfactory”*

**- says Oliver Serafimovski from the Commission for Protection of the Right to Free Access to Public Information.**

According to the Commission for Protection of the Right to Free Access to Public Information, information holders are still unaware of their obligations to ensure exercise of this right for information requesters.

*“The biggest problem we are facing in implementation of this law is administration silence. 11 years after adoption of the law, administration bodies are still silent. That does not mean that institutions do not disclose information, but fail to act within the law-stipulated deadline. According to the law, information holders should respond to information requests within a deadline of 30 days, or within a deadline of 40 days in cases of large scope of information requested, whereby information holders should notify information requesters by the 27th day of this deadline that they need additional 10 days, in order to avoid submission of appeal before the Commission. After being presented with appeals related to information requests, the Commission forwards them to relevant information holders and orders them to disclose the information requested within a deadline of 3 days, thereby ensuring that information requesters are provided the information requested. However, the problem is located in lack of awareness among information holders to overcome these barriers. They rarely disclose information immediately upon submission of information requests or disclose them by the end of the law-stipulated deadline, i.e. 30 days. Officers responsible for free access to public information identify reasons for failure to disclose requested information with their*

*superior officers. In 99 cases, information disclosure depends on management staff at information holders, because responsible officers compile the requested information, but their disclosure is not endorsed by the management staff”*

**- says Cveta Trajkovska from the Commission for Protection of the Right to Free Access to Public Information**

Representatives of this commission explain that information holders often face technical problems and lack of human resources. Most of these institutions do not have IT staff or official websites. One of them is the Commission, whose lack of IT staff creates problems for this institution as well.

*“Our internal research indicated that low share of information holders have their own websites, while very small number of them publish information on their websites. When they are presented with information requests, public institutions provide references to links embedded within links, failing to make information easily accessible for the general public and for information requesters. Cases were observed where information holders would refer information requesters to*



*browse their websites which do not host the information requested. Under proactive transparency, citizens would more easily access necessary information and information would be obtained much easily”*

**- says Oliver Serafimovski from the Commission for Protection of the Right to Free Access to Public Information.**

**Otherwise, according to Article 39 of the Law on Free Access to Public Information opaqueness of public institutions is liable to fines in the amount of 30 to 50 thousand MKD for responsible persons at the information holder that fails to disclose public information. In spite of these penal provisions, sanctions and fines are not implemented in the practice.**

**IN ADDITION TO THE COMMISSION FOR PROTECTION OF THE RIGHT TO FREE ACCESS TO PUBLIC INFORMATION, THE ASSOCIATION ESE ALSO WORKS ON RAISING AWARENESS AMONG CITIZENS ABOUT THEIR RIGHT TO FREE ACCESS TO PUBLIC INFORMATION AND ON RAISING AWARENESS AMONG INFORMATION HOLDERS ABOUT THEIR OBLIGATIONS TO PUBLISH INFORMATION ON THEIR PERFORMANCE.**

For several years ESE actively works to help citizens exercise their right to information and right to free access to public information and to facilitate communication between citizens and public institutions in the Republic of Macedonia.

**For that purpose, in 2014 ESE designed the thematic website [www.fiskalntransparentnost.org.mk](http://www.fiskalntransparentnost.org.mk).**



As part of this thematic website, ESE created an electronic platform for submission of information requests to all public institutions in the Republic of Macedonia, as well as for submission of appeals on the grounds of violated right to free access to public information. Electronic templates designed for that purpose aim to enable the public streamlined submission of information requests and faster method of obtaining responses from public institutions, as well as to test institutions' responsiveness, i.e. their preparedness to share information with the general public. More specifically, ESE educates citizens about the procedure on exercise of their right to free access to public information by enabling them to complete electronic templates for submission of information requests and electronic templates for appeals in cases of violated right to free access to public information. Moreover, ESE makes efforts to ensure that all interested parties have insight in fiscal operation of the Government of the Republic of Macedonia and actively join discussions on implementation of relevant policies aimed to improve them. For that purpose, the association developed an open database with fiscal information, which allows streamlined, systemized and analytical overview of fiscal and budget data. This database is regularly updated with information obtained by ESE as part of its monitoring efforts focused on implementation of preventive health programs by the Ministry of Health. Inter alia, the thematic website [www.fiskalntransparentnost.org.mk](http://www.fiskalntransparentnost.org.mk) allows citizens to obtain information about public institutions' obligations and about their rights and entitlements stipulated by laws, by enlisting applicable legal regulations as clean copies. ESE's thematic website allows citizens access to the most recent literature and materials in the field of fiscal transparency, access to public information and participation in decision-making, both in Macedonian and English language, as well as crucial news and information on current developments in Macedonia and across the world.

*"The thematic website on fiscal transparency is interesting in terms of building civic awareness on the importance of transparency, primarily as educational tool. I have advised many friends to visit and follow this website. People who think that transparency is of little or no importance cannot consider themselves intellectuals. It is the duty of all citizens, especially those wishing to call themselves intellectuals, to oversee transparency of public institutions, as form of patriotism in the 21st century. It is sad to see that transparency is not built bottom-up, meaning that in the case of professional associations such as the Bar Association or the Association of Medical Doctors that have relevant supervisory boards, transparency is confined within closed circle of people. Lack of bottom-up transparency endangers top-down transparency, as standard required by the EU, and not because our intellectual elites need transparency"*

**- says Vlatko Sekuloski, regular visitor of the Facebook page dedicated to fiscal transparency.**

Portion of activities on awareness raising among citizens about their rights and possibilities to access information and to participate in creation, adoption and implementation of fiscal policies, as well creation of pressure on public institutions to comply with their obligations on transparency and accountability, is the campaign on promotion of fiscal transparency titled "Fiscal Transparency Macedonia", which was initiated by ESE in 2015. To date, this campaign is followed by more than 10,000 citizens, while its contents reached 1.2 million people in 2017 and to 2,800,000 in 2016. ESE produced several educative videos in order to bring campaign activities closer to citizens and visualize its contents.

*"I graduated economy and am interested to know how institutions spend public funds. The page called 'Fiscal Transparency Macedonia' is good place for that, because it offers educative and practical information. Honestly, I would like to read more examples of poor or good practices on spending taxpayers' money in order to have better insight into these matters"*

**- says Marija Atanasova, regular visitor of the Facebook page dedicated to fiscal transparency.**

[WWW.FISKALNATRAPARENTNOST.ORG.MK](http://WWW.FISKALNATRAPARENTNOST.ORG.MK)

## 5. ACHIEVEMENTS IN THE FIELD OF FISCAL TRANSPARENCY



By means of its activities on promotion of fiscal transparency, ESE succeeded in making changes to health budget planning and implementation, sharing and publishing information on relevant performance of public institutions, fiscal policy planning and implementation, and contributed to increased number of organizations that use the methodology of budget monitoring and analysis.

**In the field of health budget planning and implementation,** ESE contributed to changed practices on budgeting health protection for mothers, children and women that were pursued in closed processes and on basis of historic data. More specifically, in 2017 the Ministry of Health, through consultative process, developed the programs for health protection of women, mothers and children, based on the needs of vulnerable groups of citizens and allocated adequate budget funds for their implementation.

ESE's contribution to improved planning and implementation of preventive health programs, as well as improved transparency and openness of public institutions was duly noted and acknowledged by the Ministry of Health. Nermina Fakovikj, responsible

for coordination of the Program for Active Health Protection of Mothers and Children, says that cooperation with the Association ESE contributed to greater transparency, and to improved and better reach of this program to its intended beneficiaries.

*"In principle, cooperation with this association and their use of the instrument for free access to public information resulted in improvements to this program. In my opinion, in addition to improved transparency and accountability, communication with ESE allowed me to think more systematically about the program, the ways in which it could be brought closer to citizens, i.e. its intended beneficiaries and the general population, by its publication on websites and by making it transparent and available to all stakeholders, as well as improvements in terms of indicators used to measure program's success. This cooperation*



*allowed me to improve my performance, while the programs I am responsible for at the Ministry of Health were marked by successful implementation of 99 percent, and their planning is transparent and participatory. In particular, the participatory process*

*organized to formulate these programs implies invitation of all service providers and stakeholders that have requested public information, to provide recommendations. Hence, I view this cooperation as joint effort to improve the program, thus ensuring attainment of its goals and objectives"*

**- says Nermina Fakovikj, Coordinator of the Program for Active Health Protection of Mothers and Children.**

Joint cooperation between ESE and the Ministry of Health resulted in increased allocation of budget funds for the Program on Early Detection of Malignant Diseases from 17,030 thousand MKD to 24,000 thousand MKD, for the Program for Active Health Protection of Mothers and Children from 10,500 thousand MKD to 17,000 thousand MKD, for the Program for Systematic Check-Ups for Pupils and Students from 9,000 thousand MKD to 10,770 thousand MKD, and for the Program on Treatment of Rare Diseases from 213,967 thousands MKD to 224,000 thousands MKD. In addition, with technical assistance and support provided by ESE the Ministry of Health identified one program whose implementation will pilot the social audit methodology. Moreover, as a result of its participation in the Open Government Partnership ESE contributed to opening the issue about the manner in which the ORIO grant was utilized by the Ministry of Health and to raising awareness about the need to inform the public about the manner in which foreign aid is implemented, which resulted in publication of information about the ORIO grant on official websites of the Ministry of Health and the Secretariat for European Affairs. At the same time, ESE's participation in the working group tasked with promotion of effective public finance management



and its continuous pressure resulted in the Ministry of Finance publishing the citizens' budget document for the Budget of the Republic of Macedonia and the 2017 budget adjustments.

In the field of sharing and publishing information on relevant performance of public institutions, ESE contributed to increased scope of information published by public institutions, improved procedures at public institutions in terms of access to public information and promotion of relevant legal norms at national level. In October 2017, the Government of the Republic of Macedonia adopted the list of documents and information which all line ministries are responsible to publish on their websites. Furthermore, the Ministry of Justice initiated the procedure to amend the Law on Free Access to Public Information. The Bureau of Public Procurements introduced the possibility for publication of awarded public procurement contracts, drafted the new proposed Law on Public Procurements and initiated public consultations around proposed law changes, and developed and published a new tool that allows open data within the Electronic Public Procurement System.

As a result of ESE's participation in the Open Government Partnership, on the proposal from and in consultations with this association, the Ministry of Health developed templates on semi-annual and annual programme and budget reports for each of its 22 preventive and curative health programs implemented under the Ministry of Health's budget. In 2018, the Ministry of Health, for first time, should start publishing these reports on its official website. Suzana Manevska, epidemiologist from the Ministry of Health, says that cooperation with ESE in developing programme and budget reports for all preventive health programs implemented by the Ministry of Health contributed to greater transparency in implementation of program activities, greater accountability in terms of ministry's performance and more information for the public.

*"Aimed at better transparency, several meetings were held with ESE representatives and civil servants at the Ministry of Health responsible for implementation of certain programs funded by the Budget of the Republic of Macedonia. Based on information requests submitted by ESE that are of interest for our joint coordination, we developed tabular overviews on implementation of program activities and execution of budget funds allocated for these programs. It was agreed for these tabular overviews to be uploaded on the Ministry of Health's website in 2018 as 2017 annual report. This type of joint dialogue and cooperation contributed to greater transparency of program activities, accountability and information dissemination, as well as to adequate presentation and documentation of program activities implemented by civil servants at the Ministry of Health. Making all information publicly available on the official website, including contracts and agreements, increases availability of information and reduces the number of information requests related to implementation of program activities and budget execution"*

**- says Suzana Manevska, epidemiologist at the Ministry of Health.**

Progress in terms of transparency of public institutions monitored by ESE was also observed by the Commission for Protection of the Right to Free Access to Public Information. In that, it was observed that public institutions improve their transparency when they are monitored. According to experiences of the Commission for Protection of the Right to Free Access to Public Information, ESE's work in the field of fiscal transparency encourages greater transparency of institutions they are monitoring. An example thereof is the Ministry of Health. Progress was noted because institutions usually engage in inert behaviour, i.e. they disclose information only when addressed with information requests or when ordered by higher bodies.

*"Effects are visible. In particular, the highest number of appeals and information requests lodged by ESE concern the Ministry of Health and I think its transparency has significantly improved, because large number of information which citizens were unable to obtain are now published on websites, which implies proactive transparency. We all know that institutions demonstrated inert behaviour and did not disclose information unless somebody requested or imposed such obligation"*

**- says Cveta Trajkovska from the Commission for Protection of the Right to Free Access to Public Information.**



In cooperation with the Commission for Protection of the Right to Free Access to Public Information, ESE started developing public awareness campaign on the right to access to public information.

**By means of its activities on promotion of fiscal transparency, ESE also contributes to improved performance of the overall fiscal system in the Republic of Macedonia. Hence, results of ESE's overall efforts** include the fact that, in September 2017, when adopting its Program on Public Finance Management Reforms 2018-2021, the Ministry of Finance has committed to work on promotion of seven key areas in the field of public finances, which partially address shortfalls and weaknesses in the system of public finances identified and advocated by ESE. Through this program, the Ministry of Finance has committed to work on:

- Priority no.1:** improved fiscal framework (strengthening public revenue forecasting and adoption of fiscal rules);
- Priority no.2:** improved legal framework and procedures on revenue mobilization;

- Priority no.3:** improved planning and budgeting;
- Priority no.4:** strengthening budget execution;
- Priority no.5:** improved transparency of government budget reporting;
- Priority no.6:** strengthened internal audit; and
- Priority no.7:** external control and parliamentary oversight.

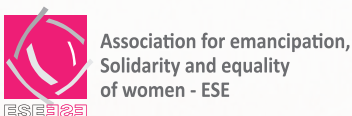
In addition, the Ministry of Finance initiated procedure to revise applicable legislation that regulates public debt, budgets, public revenue, etc. On ESE's recommendation, the Ministry of Finance initiated the process on opening the treasury system to the public (creation of e-treasury) and introducing the methodology of program budgeting.

**As part of its capacity building activities for civil society organizations at national, regional and international level, and provision of direct technical assistance and support, ESE contributed to increased number of organizations that use the methodology of budget monitoring and analysis.**

As a result of its overall efforts, ESE enabled organizations such as HOPS- Healthy Options Project Skopje, IRIZ from Skopje, KHAM from Delchevo,

Platform of CSOs working on HIV prevention in the Republic of Macedonia, organizations working in the field of rare diseases, the European Harm Reduction Association and its members, organizations working in the field of harm reduction in Serbia, Bosnia and Hercegovina, and Montenegro, etc., to start using the methodology of budget monitoring and analysis and evidence-based advocacy.

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