Key findings of the 2019 Report on North Macedonia

Brussels, 29 May 2019

Political criteria

North Macedonia has continued to maintain a steady pace of implementation of EU reforms throughout the reporting period. The government has taken steps to restore checks and balances, and to strengthen democracy and the rule of law. The country has continued to undergo fundamental changes in an inclusive and open political atmosphere. The country has continued to deliver tangible results in key areas identified in the Council Conclusions such as the judiciary, fight against corruption and organised crime, intelligence services reform and public administration. The culture of compromise in the political landscape has improved by the government's efforts to reach out to all stakeholders, including the opposition and civil society, in an inclusive and transparent manner.

Following the signature of the historic agreement reached with Greece in June 2018 (also known as the 'Prespa agreement'), a consultative referendum was organised in September 2018, whereby an overwhelming majority of voters who cast their ballots supported EU and NATO membership by accepting the Prespa agreement. The presidential elections were well organised and the fundamental freedoms were respected, allowing the citizens to make informed choices between the candidates. The Parliament has improved its performance as a forum for constructive political dialogue and enhanced its oversight and legislative functions, including by limiting the use of fast-track procedures.

The inter-ethnic situation remained calm overall, despite some occasional tensions. The government pursued its commitment to increase trust among communities. The Ohrid Framework Agreement, which ended the 2001 conflict and provides the framework for preserving the multi-ethnic character of the society, is mentioned in the preamble of the Constitution and continued to be implemented.

The climate in which civil society organisations operate has continued to improve. Civil society continued to play a constructive role in supporting democratic processes. Strategic documents have been adopted, providing guidance on the cooperation between government and civil society. Both governmental and non-governmental actors should aim at a meaningful consultation process.

On intelligence services reform, North Macedonia has made good progress. Following the reform of the system for interception of communications, the new Operational Technical Agency is fully operational. The country has also embarked on the reform of its intelligence services in cooperation with NATO and other partners. A model has been selected and the legal framework for establishing a new National Security Agency has been adopted.

North Macedonia is moderately prepared with the reform of its public administration. Good progress has been made, especially with the implementation of the public administration reform strategic framework, improved public consultations and increased transparency in policy-making and in the area of policy development and coordination. Steps have been taken to address alleged politicised appointments. However, further efforts are needed to enhance accountability of the administration and prevent its politicisation. Respect for the principles of transparency, merit and equitable representation remains essential.

The country's judicial system has reached some level of preparation / is moderately prepared and good progress was made in addressing the ‘Urgent Reform Priorities’ and recommendations from the Venice Commission and the Senior Experts’ Group on systemic Rule of Law issues. The country demonstrated continued determination to improve the judicial system and the implementation of the new legal framework is a firm basis for continued progress. A new law on the Public Prosecutor Office to integrate the Special Public Prosecutor within the prosecutorial system has been prepared. The courts have been delivering judgements on some high profile cases filed by the Special Prosecutor’s Office. Beyond legal changes, all judicial institutions need to demonstrate their exemplarity and contribute, through additional efforts, to restoring public trust in the judiciary.

As regards the fight against corruption, North Macedonia has some level of preparation. Good progress has been made through further consolidating a track record on investigating, prosecuting and trying high level corruption cases and through changes to the legislative framework. In this
North Macedonia has made some progress and is moderately prepared to cope with competitive
continue posing challenges for the business environment. Impaired by persisting structural problems. Contract enforcement and large informal economy
in order to put public finances on a sustainable path. The functioning of the labour market is
However, the composition of spending worsened, and fiscal consolidation needs to be more ambitious
management and transparency. It adopted reforms of income taxation and the pensions system.
investment remained subdued. The government took measures to improve public finance
functioning market economy. Economic growth resumed after a year of stagnation, though
North Macedonia has made some progress and is at a good level of preparation in developing a
Agreement with the EU was initialled. However, the problem of frequent smuggling activities at the
officers from EU Member States at the border. The European Border and Coast Guard Status
Effective control at the southern border has been ensured, including with the deployment of guest
inconsistent registration of migrants apprehended in irregular movements prevents regular and
country continued. There are still uncertainties on the scope and structure of migration flows. The
Considerable efforts to ensure basic living conditions and services for all migrants staying in the
country also needs to make additional efforts to consistently disseminate and address
recommendations of European and international human rights bodies, notably regarding treatment of
detained persons, women and persons with disabilities. The country has some level of preparation /
adequate protection-sensitive profiling, as well as referral to national protection mechanisms.
Standards and the country made good progress. It increased the protection against hate crime and
discrimination with amendments to the Criminal Code and the adoption of the Law on Prevention and
Protection from Discrimination. It also adopted an ambitious de-institutionalisation strategy and it
transcribed its objectives to fight violence against women into an action plan for implementing the
Istanbul Convention. However, the external oversight mechanism of the police is not yet fully
operational and the country needs to develop further the use of alternative sanctions and probation.
The country also needs to make additional efforts to consistently disseminate and address
recommandations of European and international human rights bodies, notably regarding treatment of
detained persons, women and persons with disabilities. The country has some level of preparation /
is moderately prepared in the area of freedom of expression and it has made good progress over
the last year. The climate for media freedom and freedom of expression continued to improve. It is
essential that public officials and the political elites demonstrate a higher level of tolerance towards
criticism, thereby upholding freedom of expression. The country needs to make sustained efforts to
improve the independence and professional standards of the public broadcaster as well as its
financial sustainability. Amendments to the Law on Audio and Audiovisual Media Services have been
adopted and their implementation will require strong political commitment to guarantee
professionalism, respect for the principles of transparency, merit-based appointments and equitable
representation.

With regard to regional cooperation, the country maintained its good relations with other
enlargement countries and participated actively in regional initiatives. Historic steps have been taken
to improve good neighbourhood relations, including through the entry into force of the Prespa
agreement and its implementation, putting an end to one of the oldest disputes in the region. The
Commission looks forward to the continued implementation of the bilateral treaty with Bulgaria.

North Macedonia continues to play an active and constructive role in the management of mixed
migration flows. It cooperates effectively with EU Member States and neighbouring countries.
Considerable efforts to ensure basic living conditions and services for all migrants staying in the
country continued. There are still uncertainties on the scope and structure of migration flows. The
inconsistent registration of migrants apprehended in irregular movements prevents regular and
adequate protection-sensitive profiling, as well as referral to national protection mechanisms.
Effective control at the southern border has been ensured, including with the deployment of guest
officers from EU Member States at the border. The European Border and Coast Guard Status
Agreement with the EU was initialled. However, the problem of frequent smuggling activities at the
northern border need to be further addressed. The country continues to be under severe pressure
due to its geographic location.

Economic criteria

North Macedonia has made some progress and is at a good level of preparation in developing a
functioning market economy. Economic growth resumed after a year of stagnation, though
investment remained subdued. The government took measures to improve public finance
management and transparency. It adopted reforms of income taxation and the pensions system.
However, the composition of spending worsened, and fiscal consolidation needs to be more ambitious
in order to put public finances on a sustainable path. The functioning of the labour market is
impaired by persisting structural problems. Contract enforcement and large informal economy
continue posing challenges for the business environment.

North Macedonia has made some progress and is moderately prepared to cope with competitive
pressures and market forces within the EU. Integration with the EU in trade and investment deepened further. Exports and manufacturing output diversified further towards higher-value products. However, skills shortages, and a lack of skills alignment with those required by companies, reflecting shortcomings in education curricula, impair labour productivity and the competitiveness of the economy. Important investment gaps in public infrastructure remain.

EU legislation

As regards its ability to assume the obligations of membership, the country is moderately prepared in most areas, including in the areas of competition, public procurement, transport and energy. The country shows a good level of preparation in areas such as company law, customs union, trans-European networks and science and research. Further efforts are needed across the board, in particular in those few areas where the country is at an early stage of preparation, such as free movement of workers as well as financial and budgetary provisions. More focus is also needed on administrative capacity and effective implementation. The country has continued to improve its alignment with the EU declarations and Council decisions on Common Foreign and Security Policy.

Key dates

June 2003: The EU-Western Balkans Thessaloniki Summit confirms the EU perspective for the Western Balkans.

March 2004: The country applies for EU membership.

April 2004: The Stabilisation and Association Agreement enters into force.

December 2005: The status of candidate country is granted.

October 2009: The European Commission recommends for the first time the opening of accession negotiations.

December 2009: Visa-free travel to the Schengen area for citizens of the country.

March 2012: High Level Accession Dialogue with the Commission launched.

November 2015: The European Commission makes its recommendation conditional on the continued implementation of the Pržino agreement and substantial progress in the implementation of the "Urgent Reform Priorities".

February 2018: The European Commission adopts its strategy for "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans".

April 2018: The European Commission recommends that the Council decides that accession negotiations be opened with the country in light of the progress achieved.

May 2018: The EU-Western Balkans Sofia Summit confirms the European perspective of the region and sets out a number of concrete actions to strengthen cooperation in the areas of connectivity, security and the rule of law.

June 2018: The Council sets out the path towards opening accession negotiations with the country in June 2019, depending on progress made.

February 2019: The EU is notified officially about the entry into force of the Prespa agreement.

May 2019: The European Commission recommends opening accession negotiations.

For More Information

North Macedonia Report 2019
Enlargement Package 2019

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