

## North Macedonia (Republic of)

### *Self-rule*

#### INSTITUTIONAL DEPTH AND POLICY SCOPE

North Macedonia, officially the Republic of North Macedonia, has two levels of subnational governance, the City of Skopje and eight *planski ryegioni* (planning regions) and, at the local level, *opštini* (municipalities) (Atanasova and Bache 2010; C 1991, Arts. 114–117; Council of Europe: Macedonia 1999; Law No. 52/1995; No. 5/2002). In 2004, a merger of *opštini* reduced their number from 134 to eighty-four and in 2013 the number of municipalities was further reduced to 81 (Kreci and Ymeri 2010a, b; Law No. 55/2003; Yusufi 2006).

The capital City of Skopje (*Град Скопје*) has a separate legal status laid down in its own law which was adopted in 1996 (C 1991, Arts. 6 and 117; Council of Europe: Macedonia 1999; Law No. 49/1996 and No. 55/2004). Skopje consists of ten independent municipalities (Law No. 55/2004, Arts. 2 and 11) and has more than 500,000 inhabitants which is about twenty-five per cent of the total population.<sup>1</sup> The law on local self-government specifies that its provisions apply to the City of Skopje unless otherwise stipulated by the law on the City of Skopje (Law No. 49/1996, Art. 16 and No. 5/2002, Art. 4). The City of Skopje is responsible for a wide range of policies including urban planning, environmental protection, economic development, culture, education, sort, social welfare, child protection, healthcare, and firefighting (Council of Europe: Macedonia 1999, 2007, 2012; Law No. 55/2004, Arts. 14 and 19–20). The law on the City of Skopje also sets out the rules and procedures on the coordination between the City of Skopje and the ten municipalities and it obliges the municipalities and the City of Skopje to establish a coordination body which meets at least once a month and which is chaired by the mayor of Skopje (Council of Europe: Macedonia 2007, 2012; Law No. 55/2004, Arts. 30–31). The City of Skopje and the ten municipalities within its territory cooperate and share responsibility for all competences exercised by the City of Skopje (Council of Europe: Macedonia 2012) and we therefore score the City of Skopje 1 on policy scope.

In 2001, eight statistical regions were created at the NUTS-III level (Karajkov 2007). In May 2007, as a result of EU negotiations, these statistical regions were replaced by eight councils of the *planski ryegioni* (Atanasova and Bache 2010; Law No. 63/2007). Their main task is to implement regional development programs previously approved by the national council for regional development (Council of Europe: Macedonia 2012; Law No. 63/2007, Arts. 3 and 20; Mojsovska 2011). In addition, the *planski ryegioni* consult with local governments, civil society organizations, and state agencies (Assembly of European Regions 2010).

#### FISCAL AUTONOMY

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<sup>1</sup> Between 1996 and 2003 the City of Skopje consisted of seven municipalities (Fazliu 2016; Law No. 49/1996, Art. 4). When deriving a country score for Macedonia we take into account the different population size for the City of Skopje before and after 2004.

The City of Skopje has the same tax autonomy as other municipalities and Skopje can adjust the rate of a property tax within limits set by the central government which in 2018 was a range between 0.10 to 0.20 per cent (Council of Europe: Macedonia 1999, 2012; Law No. 55/2004, Art. 25 and No. 61/2004; Lyon 2013: 642; Nikolov 2016: 286). The law also stipulates that the revenues of the City of Skopje are shared between the city and the municipalities within the city's territory based on a prior agreement (Law No. 55/2004, Art. 26).

*Planski ryegioni* are dependent on local and central government grants (Council of Europe: Macedonia 2012). The law on balanced regional development allocates an annual central government grant of at least 1 percent of GDP to *planski ryegioni* (Law No. 63/2007, Art. 27).

#### BORROWING AUTONOMY

The City of Skopje (and municipalities) have the right to borrow but only under strict borrowing rules (Council of Europe: Macedonia 1999, 2012). Municipalities need to consult with the ministry of finance and municipal borrowing has to be approved by the Parliament because indebted municipalities are considered to be part of the general public debt (Council of Europe: Macedonia 2012; Lyon 2015: 651; Nikolov 2016: 292). Short term borrowing cannot exceed 20 per cent of the total revenue, long-term borrowing is only allowed for investment projects, and the annual debt-service cannot exceed 15 per cent of the total revenue. In addition, commercial banks are required to report all loans to municipalities to the ministry of finance (Law No. 61/2004; Lyon 2015: 651).

*Planski ryegioni* have no borrowing autonomy (Council of Europe: Macedonia 2012; Law No. 63/2007).

#### REPRESENTATION

The council and mayor of the City of Skopje as well as the councils and mayors of the ten municipalities within Skopje's territory are directly elected every four years (Council of Europe: Macedonia 1999, 2007, 2012; Law No. 55/2004, Arts. 22 and 24).

The councils of the *planski ryegioni* consist of the mayors of the *opštini* within the region. The president of the council is elected by the mayors (Atanasova and Bache 2010; Law No. 63/2007, Art. 19). There are no provisions for a separate regional executive (Council of Europe: Macedonia 2012; Mojsavska 2011: 16–17).

#### *Shared rule*

There is no power sharing for the City of Skopje and *planski ryegioni* in Macedonia.

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## Self-rule in Macedonia

			Institutional depth	Policy scope	Fiscal autonomy	Borrowing autonomy	Representation		Self-rule
							Assembly	Executive	
City of Skopje	I	1996-2006	2	1	1	1	2	2	<b>9</b>
	I → II	2007-2018	2	1	1	1	2	2	<b>9</b>
Planski ryegioni	I	2007-2018	1	0	0	0	1	0	<b>2</b>

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