

**CENTER FOR DEVELOPMENT POLICIES**  
**IDEAS DEPO**  
**ANNUAL REPORT 2022**

Skopje, February 2023



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## I. INTRODUCTION

In 2022, IDEAS DePo continued its mission to enhance regulatory frameworks, strengthen institutional capacities, and promote sustainable development in North Macedonia. The organization remained committed to fostering good governance, transparency, and efficiency in public administration. The primary projects undertaken in 2022 were:

- **Strengthening Resource Mobilization Activity (SRMA) Project** – Funded by USAID
- **Reforms in the Inspection System** – Implemented under the USAID Civic Engagement Project

These projects reflect IDEAS DePo's dedication to driving systemic reforms, supporting public sector modernization, and fostering a business-friendly environment through strategic partnerships and participative approaches.

## II. KEY PROJECTS AND ACTIVITIES

### A. Strengthening Resource Mobilization Activity (SRMA) Project

#### Funded by USAID

The SRMA Project, spanning from January 25, 2021, to January 24, 2026, focuses on enhancing the financial sustainability of local governments in North Macedonia by improving revenue generation, fiscal management, and public service delivery. IDEAS DePo, as a major subcontractor, has played a vital role in implementing Objective 4, "Decentralization Process Enhanced."

#### *Advancing the Decentralization Process*

In 2022, IDEAS DePo took the lead in advancing the decentralization process in North Macedonia through a series of comprehensive and strategic actions. One of the pivotal achievements was the development of a **Guide for Municipalities Declaring Financial Instability**. This guide, created in collaboration with the Ministry of Finance (MoF), serves as a critical resource for municipalities facing fiscal distress. It outlines a structured approach for managing municipal debt, implementing recovery plans, and enhancing financial stability. The guide was disseminated to all municipalities and was accompanied by tailored workshops to ensure its effective use.

Another significant contribution was the creation of a **Code of Transparency at Local Level**, aimed at establishing uniform transparency standards across municipalities. This code sets minimum requirements for public access to financial documents, budget plans, and municipal decisions. IDEAS DePo facilitated training sessions to help local governments integrate these standards into their daily operations, promoting greater accountability and public trust.

IDEAS DePo also spearheaded efforts to promote **asymmetric decentralization**, a concept designed to tailor governance models to the specific capacities and needs of different municipalities. Through a series of public debates, expert roundtables, and policy workshops, IDEAS DePo fostered a national dialogue on the benefits and challenges of asymmetric decentralization. These discussions culminated in a set of policy recommendations submitted to the Ministry of Local Self-Government.

Collaboration was a cornerstone of IDEAS DePo's strategy in 2022. The organization worked closely with central government bodies, local authorities, non-governmental organizations, and international donors to align decentralization efforts with broader national development goals. This multi-stakeholder approach ensured that the reforms were inclusive, evidence-based, and sustainable.

### *Capacity Building and Stakeholder Engagement*

IDEAS DePo placed a strong emphasis on capacity building and stakeholder engagement as critical components of the decentralization process. Throughout 2022, the organization conducted over 170 capacity-building activities, including workshops, peer-to-peer sessions, and mentoring programs. These initiatives were designed to strengthen the skills and knowledge of municipal officials, enabling them to manage local resources more effectively and engage with their communities transparently.

One of the highlights of the year was the organization of several high-profile events that brought together municipal officials, central government representatives, donors, and civil society stakeholders. These events served as platforms for sharing best practices, discussing common challenges, and exploring innovative solutions to complex governance issues.

IDEAS DePo also promoted inter-municipal cooperation and peer learning, recognizing the value of shared experiences in driving local governance improvements. Through structured peer-exchange programs, municipalities were able to learn from each other's successes and challenges, fostering a collaborative approach to problem-solving.

In addition, IDEAS DePo developed and distributed a series of toolkits and guidelines covering topics such as participatory budgeting, strategic planning, and community engagement. These resources have become essential references for municipal staff and local policymakers.

## **B. Reforms in the Inspection System**

### **Implemented under the USAID Civic Engagement Project**

From April 14, 2022, to August 15, 2022, IDEAS DePo implemented the "Reforms in the Inspection System" activity, focusing on enhancing the legislative framework, improving inspector capacities, and raising public awareness.

Key achievements included:

- Developing strategic guidelines for North Macedonia's inspection system.
- Conducting comprehensive legal analyses to identify bottlenecks and propose reforms.
- Creating educational curricula for inspector training and integrating them into the licensing process.

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- Launching public awareness campaigns to improve understanding of inspection procedures among businesses and citizens.

### III. CONCLUSION

IDEAS DePo's accomplishments in 2022 underscore its commitment to strengthening public sector institutions, promoting fiscal sustainability, and advancing democratic governance in North Macedonia. Through its strategic role in the SRMA Project and contributions to inspection system reforms, IDEAS DePo has significantly impacted local governance, fiscal management, and public transparency.

Looking forward, IDEAS DePo aims to build on these successes, expanding its efforts to support public administration reforms, promote sustainable economic development, and foster greater citizen engagement in governance processes.

I also submit the **IDEAS DePo Annual Financial Statement for 2022**, pursuant to the IDEAS DePo Charter, for review and approval by the relevant IDEAS DePo managing and supervision bodies.

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**Executive Director,**



**Voislav Ilievski**