

FINAL REPORT 2015

Center for Economic Analyses (CEA)

Skopje
January, 2016

General information about CEA

Logo:



Address:

CENTER FOR ECONOMIC ANALYSES (CEA)

Bul. Jane Sandanski 63/3,
1000 Skopje Macedonia

Tel/Fax: + 389 (0)2 24 44 766

Mob: + 389 71 310 974

TIN: 4030003479278

Reg. 5763061

Account number:

Stopanska Banka AD Skopje
Account number: 200000856268559

Web page and e-mail:

www.cea.org.mk

www.mkbudget.org

www.kbm.mk

info@cea.org.mk

COVER LETTER

TO: CEA team
DATE: January 2016

Dear CEA Team,

Please, find attached the CEA final report for 2015. Please let me know if there is any additional information we can provide.

Yours sincerely,

Marjan Nikolov

President of CEA



Signed

CEA Organizational Setup

Executive Board:

Marjan Nikolov, President

Bryan Roberts, Vice President

Dimitar Bogov (on hold when he becomes Central Bank Vice Governor and Governor)

Igor Mitevski

Vesna Garvanlieva

Borce Trenovski

Gabriela Dimovska

Assembly:

Borce Smilevski, President of the Assembly

Management council:

King Banaian, Prof. St. Cloud State University

Alex Mourmouras, IMF Institute

Giorgio Brosio, Prof. University of Torino

IT:

Mile Naskovski

Financial accounting:

Saso Bulevski

**USE OF THE CORE AND INSTITUTIONAL FUNDING PROVIDED
BY OSI THINK TANK FUND AND THE EU PROJECTS**

Grant ended in 2015 was from OSI Think Tank Fund for enhancing institutional capacity and research agenda helped CEA structuring and **continuing achieving its third stage of sustainable development**. The allowed financial resources were used by CEA as a share for the two EU projects that CEA was awarded as a lead/coordinating organization:

- Implementing joint project with IDSCS (Institute for Democracy “Societas Civilis”- Skopje) for enhancing fiscal transparency and introduction of performance budgeting;
- Implementing joint project with FORUM-CSRD for enhancing capacities of local organization for monitoring local finances.

Both projects were successfully implemented. Apart from that CEA successfully raised loan from commercial bank in Macedonia for earmarked cash flow purposes as a share for the awarded EU projects. The loan closed.

ACHIEVEMENTS IN 2015

In 2015, the Center for Economic Analyses – CEA operated with two departments: Fiscal policy, efficiency and transparency and Socio-economic prospects and challenges. Project ideas were developed based on the most current development in the policies in the country and areas which needed the biggest improvements.

Activities in the projects were developed in a way to support advocacy activities for improving policies in Republic of Macedonia. Furthermore, we continued cooperation and partnering with other organizations and size of the projects are significantly increased.

Based on that, we are providing overview of the realized projects and programs from each department of CEA. Moreover, the President of CEA, Mr. Marjan Nikolov was engaged by the NDI to train Iraqi MPs on PFM issues and to discuss with Kurdish political parties about PFM and cooperation with CSO organizations. Marjan also was engaged by the World Bank for a mission in Kazakhstan to help in diagnostics of two agglomerations: Aktobe and Shymkent.

Department: Fiscal policy, efficiency and transparency

In this department were implemented several projects. What's more important, this department starts implementing large projects in partnership with other organizations.

Study: Training for Iraqi MPs on PFM topics.

Discussion: Training delivered in Erbil and Sylmania by Marjan Nikolov. Contractor was NDI.

Study: IBP training for CEA President Marjan Nikolov about the OBS and OBI implementation. OBI 2015 results disseminated.

Discussion: Training material shared with CEA office.

Study: OBI budget tracker.

Discussion: Tracking fiscal transparency in Macedonia.

Study: CEA budget portal (ITF and IP Funded)

Stage: Web portal update. Portal www.mkbudget.org.

Study: Two EU projects implemented

- Joint project with IDSCS (Institute for Democracy “Societas Civilis”- Skopje) for enhancing fiscal transparency and introduction of performance budgeting;
- Joint project with FORUM-CSR for enhancing capacities of local organization for monitoring local finances.

Study/project: Monitoring of the Budget Expenditures in the Pre-election and Election Period

Stage: Ongoing (Project start: December 2016)

Discussion: New methodology for monitoring the budgets spending on a local and national level developed. Eight local grass root organizations selected and started

monitoring on a local level. The project implementation is in partnership with the Transparency International-Macedonia.

Study/project: Pathway to fair and free elections

Stage: Ongoing. (Project start: November 2016)

Discussion: New methodology for monitoring the subsidies' payments developed. Also, first monitoring report developed. The project implementation is in partnership with the Association MOST.

Department: Socio-Economic prospects and challenges

Study: "The effects of the Foreign Direct Investments in the Technological Industrial Development Zones. Study case: Macedonia in the period 2007-2014.

Stage: Done.

Discussion: Public experts' debate planned.

Study: Evaluation of MSIP World Bank project for Macedonia

Stage: Evaluation done: Needs assessment, risk analysis, economic and financial analyses as per WB guidelines.

Outcome: Better MSIP II phase.

Study: MFSA training for NALAS

Stage: Training designed and conducted for representatives from Western Balkan.

Outcome: MFSA scaling up.

Study: PPP feasibility study for street lightning in Makedonski Brod

Stage: Prepared documents: Needs assessment, risk analysis, economic and financial analyses, legal aspects.

Discussion: Presented in the City Council meeting

Press-conference: for the local media

Outcome: Better services in Makedonski Brod.

Training: PPP in Macedonia and Decentralization presentation at the National Bank

Stage: Done.

Discussion: Marjan made presentations at the National Bank for the research and department.

CEA Journal of Economics

From 2012 CEA Journal of Economics become an international journal, indexed in EBSCO and EconLit databases of journals. With this journal we created an economic forum where economists were able to practice technical quantitative and qualitative analyses of economic problems and to enrich the public debate on economic issues in Macedonia.

NEW PROJECT/PROGRAMS APPROACH FOR THE NEXT PERIOD

Our researches, studies and analyses prepared are widely recognized and incorporated in the documents and policies of the government (central and local) and NGOs. Our practice is illustrated in the next table.

Table. Activities toward advocacy for policy change

Stages of development	First stage of development	Second stage of development	Third stage of development
What do we do?	Doing the research Field analyses Desk analyses Academic reports	Preparation of policy papers/studies, summary, and policy briefs of the research	Advocacy through policy briefs, presentation at meetings, media visibility, expert groups, policy change
Who can really access CEA products	Accessible only to limited number of specialized readers Publishing on web	Accessible to wider population, journalists Publishing in electronic and printed media	Follow up meetings, opinion making, general public Press conferences Policy change
Characteristic	Closed type only to experts and clients	More open to general public	Toward policy change

In 2016 we will continue organizing low cost expert group's discussion, follow up meetings and press conferences.

In that way we will:

- Promote CEA's activities;
- Fulfil CEA's goals;
- Inform about contemporary problems and issues;
- Raise public awareness about problems and issues;
- Help design and/or at least redesign public policies, business and finance institutions behaviours and decision making.

All previously mentioned activities will be organized within CEA's departments and CEA will continue to identify problems and forecast possible policy issues that need immediate attention in policy arenas. CEA's ways (tools) of influencing policy makers:

1. High quality publishing program (CEA Journal of Economics, reports, analyses, position papers);
2. Continues building sound media visibility on public relevant issues (presenting reports, analyses, position papers policy briefs in the public);
3. Columns and articles in printed and electronic media, and social networks (Facebook, LinkedIn and Twitter);
4. Outreach to university, college and school students (CEA's products are used as teaching tools: Faculty of Economic – Skopje; International Slavic University, SEEU-Tetovo etc.);
5. Conferences, round-tables, expert discussions, seminars, workshops, direct meetings;
6. Direct meetings and close cooperation with policy makers.

MISSION STATEMENT, OBJECTIVES AND GOALS OF CEA

The Mission of CEA is to continuously research economic development and public policy in the Republic of Macedonia and to offer recommendations, suggestions and measures to the government and non-governmental institutions.

CEA members share a common vision of the Republic of Macedonia as a new emerging economy integrated with regional and world markets. They devote their time, efforts and knowledge to help make this vision become a reality. CEA's code of ethics is available at: www.cea.org.mk.

Goals of CEA:

1. To provide quality policy analyses;
2. To support viable economic policy in Macedonia;
3. To help foster an environment that brings about higher investment, accelerated development and growth of the Macedonian economy, and EU accession;
4. To achieve financial sustainability;
5. To encourage regional cooperation and collaboration in the Balkans;
6. To strengthen civil society, social capital and trust.

These goals will be achieved through:

1. Building the capacities of CEA's members to do quantitative analyses and be objective so that CEA becomes an institution with widely demanded products and services;
2. Transition to complete reliance on non-donor revenues as quickly as possible;
3. Active identification and recruitment of candidates for CEA's consultant pool;
4. Developing a network of relationships with think-tanks in the Balkans, European Union countries, and the United States.

Specific actions to be undertaken:

1. Public promotion of CEA and its mission to the market;
2. Construction, maintenance, and further development of economic models;
3. Conducting unbiased and consistent analyses relying primarily on quantitative information;
4. Regular monitoring of the economic situation of the country;
5. Make recommendations on key policy issues facing the Macedonian economy;
6. Building links with think tanks and institutes in other Balkan countries, transition countries of central and eastern Europe, and western countries;
7. Close cooperation with international donors and financial institutions;
8. Enhancing public relations via publishing reports, analyses and other working papers

Outputs:

1. Working Papers
2. Columns and articles in media
3. Databases
4. Economic and financial models
5. Seminars, workshops and training courses given

Outcomes:

1. A sustainable think tank
2. Significantly improved capacities in using economic models and conducting policy analysis
3. Demand from Government agencies, international organizations and donors, and the business community for CEA products