

# ANNUAL NARRATIVE REPORT 2020

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CENTER FOR ECONOMIC ANALYSES (CEA)

Skopje  
January 2021

## General information about CEA

### Logo:



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To: CEA team  
Date: January 2021

Dear CEA Team,

Please, find attached the CEA final report for 2020. 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  
Vesna Garvanlieva Andonova  
Gabriela Dimovska  
Ana Marija Petrovska

### **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

### **CEA Team:**

Marjan Nikolov, President  
Vesna Garvanlieva, Senior economist  
Gabriela Dimovska, Senior economist  
Ana Marija Petrevska, Economist

### **IT:**

Mile Naskovski

### **Financial accounting:**

Saso Bulevski  
Igor Bulevski

## Projects: started and still in implementation

- Implementation of the project ***“Tax Responsibility Project – Towards civic responsibility and responsible tax”*** under the European Instrument for Democracy and Human Rights (EIDHR) 2018-2019 Supporting a civil society through Country-Based Support Schemes (CBSS), 24 months implementation period.
- Implementation of the project ***“COVID-19 and the municipalities in North Macedonia: Will the municipalities request new financial funds through borrowing from the Central Government?”*** funded by CIVICA MOBILITAS, 6 months implementation period.
- **Cost-benefit analysis of the social services for deinstitutionalization of persons with disabilities**, funded by UNWOMAN.
- Implementation of the project ***“Competition and State Aid Policy Monitor: 8 Matters!”***, funded by Swedish International Development Agency (Sida) through the “Nordic Support for Progress of North Macedonia” Project implemented by the United Nations Office for Project Services (UNOPS).

## Department: Fiscal policy, efficiency, and transparency

- ***“Tax Responsibility Project – Towards civic responsibility and responsible tax”*** – EU Project – ongoing
- ***“Competition and State Aid Policy Monitor: 8 Matters!”*** It includes activities for monitoring competition policy and state aid control; SIDA, UNOPS project
- **Open budget index publication in partnership with the IBP** was in April 2020.
- **Budget transparency index in municipalities in North Macedonia** published in October 2020.
- **Transparency of the State Audit Office**, monitoring on the transparency of the State Audit Office (SAO).

## Department: Socio-Economic prospects and challenges

- Implementing the project: ***“Europeanization beyond the process”***, supported by the OSIFE. This project redresses the shortcomings by building the capacity of CEA’s policy research into broaden scope of CEA engagement with the EU as a whole and its member states beyond the traditional European integration paradigm.

- Implemented the project: *“Increasing employability and improving the economic condition of women in society”*, supported by the Regional Program for Local Democracy in the Western Balkans (ReLOaD) implemented by the Municipality of Kavadarci in partnership with UNDP. The project contributed to the economic empowerment and improvement of the economic condition of unemployed women through the envisaged activities focusing on single mothers and women from rural areas in Kavadarci.
- **Cost-benefit analysis of the social services for deinstitutionalization of persons with disabilities**, funded by UNWOMAN. CEA prepared methodology for estimation of the additional costs of disability for deinstitutionalization of persons with physical disability. CEA implemented several methodologies for evaluation the costs and benefits of the deinstitutionalization of people with disabilities in North Macedonia based on the practices of the already initiated process. Furthermore, the CBA took a special consideration the gender and COVID-19 related issues and effects of the process.
- **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. **NOTE: The CEA Journal of Economics is on hold.**
- The **International RSA Conference in Ljubljana, Slovenia**, RSA Central and Eastern Europe Conference 2020 canceled due to the COVID-19 crisis.
- **Members of several policy makers’ Government working groups as expert CSO representatives** for regular or occasional feedback such as: Ministry of finance public finance monitoring, Western Balkan Territorial Governance Network TG WeB.
- The conference on the WB TGN 2020 in Belgrade happened on-line due to the COVID-19 crisis.
- The conference in the Macedonian EU embassy in Brussels did not happened due to the COVID-19 crisis.

## COVID-19 activities:

- Monitoring report: **CEA prepared a transparency report on state aid granted under Covid-19, and drew a parallel with the EU, and continues its activity in the area.**
- **CEA Study: The Implications of Covid-19 over the local budget finance in North Macedonia, detailed analysis over the three quarters of 2020.**
- Article in Annual Review of Territorial Governance in the Western Balkans, II, 2020, 73-95 Journal, **Municipal Finances in the COVID-19 Context: The Case of Gazi Baba and Shkodër Municipalities.**
- CEA in partnership with OZ Vizija Kavadarci, with the support of the ReLOaD program, in the Municipality of Kavadarci joined the action to support vulnerable groups.

## NEW PROJECT/PROGRAMS APPROACH FOR THE NEXT PERIOD

Our research, studies and analyses 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
<b>What do we do?</b>	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
<b>Who can really access CEA products</b>	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, public. Press conferences. Policy change
<b>Characteristic</b>	Closed type only to experts and clients	More open to general public	Toward policy change

**In 2021 we implement the externally prepared Strategic document and the Communication strategy.**

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 (reports, analyses, position papers);
2. Continue 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 media 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, Faculty of law – Skopje 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](http://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.