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CITIZEN'S RESPONSE

FOR IMPROVEMENT OF LOCAL POLICIES

STUDY ON THE CITIZENS' SATISFACTION WITH THE MUNICIPAL SERVICES

JUNE 2012



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Citizen's response for improvement of local policies

Study on citizens' satisfaction with municipal services

This is the first ever study in the country based on citizens' perceptions on the quality of social services in the municipalities of Cair, Jegunovce, Krusevo and Konce. Founded on statistically valid data, its objective is to serve as a basis for improvement of the planning, allocation of resources and creation of public policies at local level.

SOUTH EAST EUROPEAN UNIVERSITY
June, 2012

Project: **"Strengthening the public policies processes based on empirical indicators"**

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Acknowledgment:

The South East European University and the Municipalities of Krusevo, Konce, Cair, and Jegunovce express their gratitude to the United Nations Development Programme (UNDP) for the technical and financial support provided during the preparation of this study.

The views expressed herein are those of the authors and do not necessarily reflect the official position of the United Nations Development Programme.

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Introduction

Decentralization is a process that is primarily directed towards the citizens and their aspirations for a better quality of life. It improves the democratization of the society through active participation of citizens in decisions that are important for improving their lives and ensuring their welfare. According to the general and complex definition stated in the Strategy for Social Cohesion of the Council of Europe, the social cohesion is the capacity of the society to ensure the welfare of the citizens, minimizing the disparities.

During almost the entire 20th century, especially in the USA, the trends were directed more towards centralization, primarily due to the need for a more efficient and effective allocation of resources, as well as the economy of scale in procurement and management of resources – i.e. because of economic reasons in general. The political reasons are always in favour of decentralization, as local authorities are not only "closer" to the citizens, but also because of the possibility for the citizens to actively participate in their public choice and to optimize the possible alternatives (public choice theory). In the case of Macedonia, which in the previous socio-political and economic system, inherited a well-developed decentralization, in the early political and economic transformation in the nineties (1991), it started an extremely centralized management of local resources, and after a decade (from 2002) a reverse process was started, i.e. gradual decentralization, which is still ongoing. Although during this period, this process has seen significant improvements, the level is still far from the desired EU standards, especially in relation to the qualitative dimension.

The active participation of citizens in the design, the implementation and the monitoring of development is an essential element in providing quality services at the local level. The role of NGOs is important in the process of effective governance, strengthening the civil society access to important public information, and providing opportunities for disadvantaged groups to contribute to policy making and to providing social services to people's needs. It is particularly important that the civil society can play the role of the controller in monitoring and evaluating the local policies and programs, signifying their politicians and service providers responsible for the delivery of the essential local services with good quality and fair manner.

The transparency, the other key dimension of good governance is closely linked to accountability. The efforts of the civil society organizations and media to make decision makers responsible for the provisions of quality services at the local level, can significantly erode without regular access to documents of the municipality. Without access to such information is not possible to assess the extent to which the local policies, the programs and the budgets are inclusive.

The data on primary inputs, outputs and outcomes of the local services provide a basis for accountability. Disaggregation of the data into categories such as gender, socioeconomic status, geographic location (rural / urban) and ethnicity is essential, not

only to find inequalities, but to understand the extent to which these disparities are associated with socioeconomic conditions and various forms of discrimination.

The study "Citizen's response for improvement of local policies" that South East European University has prepared with the support of UNDP and in cooperation with the four municipalities - Cair, Krusevo, Jegunovce, and Konce focuses on the analysis of the citizens' satisfaction with the quality of delivery of decentralized services and the appropriate sources of funding available to implement them.

The main goal of the final stage of implementation of the project is to analyze the management of grants from the central government (block grants, earmarked grants and capital transfers) and the compliance with the principles of good governance, with particular emphasis on social inclusion in the Municipality of Cair, Krusevo, Jegunovce, and Konce.

The specific objectives of the study are the following:

Identify potential problems in the delivery of decentralized services by analyzing the legal and the institutional framework and relationships (the grants from central government) and the institutional capacity of the municipalities in the delivery of decentralized services;

Analysis, identification and improvement of decision making in the municipalities;

Identification of priority projects in the municipalities;

Identifying the problems of social inclusion of vulnerable groups in the various municipalities;

Identifying potential problems in implementing the principles of good governance in the municipalities;

Provide recommendations to municipalities to enhance the capacity for improving the decentralized services;

Create a formal network of stakeholders who will be involved in the creation of the local policies in the municipalities through workshops.

The levels of analysis are focused on the decision makers at the level of municipalities (Mayors, councilors, heads of departments), the local community planning groups composed of stakeholders at the municipal level (NGOs, business community, representatives of the local units of the ministries that provide block grants and capital investments), and the opinion of citizens - a survey which was conducted by local NGOs to examine the degree of satisfaction with the services.

Taking into account this methodology, it is important to emphasize that the assessment covers the *de jure* and *de facto* forms of good governance in the municipalities. The methodology seeks to verify the existence of policies and their implementation in practice.

The instruments applied are:

Desk research as a crucial tool for researchers who did the analysis. This tool relies on archival data, administrative data, narrative reports, the Constitution, laws, legal documents and government statistics, strategies, national programs, action plans, and analysis of research and research agencies;

In-depth interview - via this method accurate information on grants from central government and the principles of good governance are given. Interviews were conducted with decision-makers and officials in the municipalities (Mayor, Council, heads of departments) in the municipality of Cair, Jegunovce, Krusevo, and Konce;

Workshops with local communities planning groups through which qualitative information about the experiences of various stakeholders on issues related to grants from central government and good governance are gathered. Through these workshops the findings for assessment of the local services and the social inclusion are verified.

Structured questionnaire to conduct a survey with a representative sample of users of services at local level in the four municipalities (Cair, Jegunovce, Krusevo, and Konce). This type of survey is the first of its kind and scope from those implemented in the municipalities in Republic of Macedonia and represents an opportunity for the citizens of these municipalities to provide feedback on local governments, but also for the institutions of central government, to see what are the issues in quality of services and the quality of management at local level. Moreover, this tool provides an efficient mechanism for the residents of these communities to communicate their views on priorities for improving the municipal services to decision makers at the local level and to identify priorities of the community, from the perspective of the quality of life.

In order to build the capacities of local NGOs, SEEU used outsourcing for the implementation of the survey; therefore the fieldwork was provided by local non-governmental organizations from the municipalities that have experience with the activities of this nature. Thus, knowledge and skills in exacting participation of the civil society in monitoring and implementation of the quality of local services are transferred.

Research methodology

The surveys of citizens' satisfaction with the services in the Municipalities of Cair, Jegunovce, Krusevo, and Konce were conducted during the month of December, 2011. For this purpose, a structured questionnaire was developed based on which people who were selected according to previously established methodology were surveyed. The details of the design of the sample are as follows:

The sample design

The design of the sample is based on the principles of a representativeness of the sample selected from the total number of inhabitants in the municipalities, based on the model of disproportionate stratified sample.²

Of the total number of inhabitants in the municipalities (*according to the Census of 2002*) a sample of 5% of the total population (*except in Cair municipality where the sample size is 1%*) is selected, i.e. the following number of persons per municipality is surveyed:

In the Municipality of Cair with a population of 64,773 (*Census, 2002*) with a representative sample of 1% of the total population, i.e. 647 people are surveyed. The ethnicity of the respondents is as follows: 57% (395) ethnic Albanian, 24.13% (167) ethnic Macedonians, and 11.8% (85) others, with standard error <5%.³ Having in mind that the Municipality of Cair is urban municipality, there are no settlements in this municipality.

² *The model of disproportionate stratified sample (O'Sullivan, Rassel, Berner, 2002) is used in the research, due to the fact that each municipality is explored separately from other municipalities that are subject of the research.*

³ *In Cair as urban and compact municipality, the survey is realized in different streets and urban communities throughout the Municipality of Cair.*

In the Municipality of Krusevo with a population of 9,684 (census 2002) of which 5,330 in Krusevo and 4,354 in the surrounding towns, with a representative sample of 5% of the total population i.e. 484 persons are surveyed (267 in the City of Krusevo and 218 in the surrounding settlements that are parts of the Municipality of Krusevo). The ethnicity of the respondents is as follows: 62.8% (303) ethnic Macedonians, 21% (103) ethnic Albanians, 10.5% (51) Vlachs and 5.6% (27) other, with standard error <5%.

Settlements – Municipality of Krusevo	Population (Census, 2002)	Interviewed persons (5% sample)
Aldanci	417	21
Arilevo	13	1
Belucino	64	3
Borino	441	22
Bucin	738	36
Vrboec	256	13
Gorno divjaci	46	2
Dolno divjaci	59	3
Jakrenovo	212	11
Krusevo	5330	263
Miloshevo	50	3
Norovo	599	30
Ostrilci	32	2
Presil	444	22
Pusta reka	134	7
Sazdevo	393	20
Sveto Mitrani	434	22
Selce	22	1

In the Municipality of Jegunovce with a population of 10,790 (17 settlements) with a representative sample of 5% of the total population, i.e. 540 people are surveyed, deployed according to the percentage in settlements. The ethnicity of the respondents is as follows: 55.26 (300) ethnic Macedonians, 43.11% (235) ethnic Albanians, and 5 people from other ethnicity are surveyed, with standard error <5%.

Settlements – Municipality of Jegunovce	Population (Census, 2002)	Interviewed persons (5% sample)
Zhilce	650	33
Janchishte	587	29
Jegunovce	846	42
Kopance	1059	54
Podbregje	179	9
Prelubishte	367	18
Tudence	431	21
Sirichino	395	20
Ratae	411	21
Raotince	565	28
Shemshovo	1737	88
Belovishte	311	15
Vratnica	505	25
Orashje	1084	54
Jazhince	1099	55
Staro selo	217	11
Rogachevo	347	17

In the Municipality of Konce with a population of 3,536 (Census, 2002), a representative sample of 5% of the total population, i.e. 177 people are surveyed, deployed according the percentage in settlements. The ethnicity of the respondents is as follows: 85.1% (151) ethnic Macedonians and 14.7% (26) ethnic Turks surveyed with a standard error <5%.

Settlements - Municipality of Konce	Population (Census, 2002)	Interviewed persons (5% sample)
Gabrevci	355	18
Garvan	11	1
Gorni Lipovik	163	8
Dedino	716	36
Dolni Lipovik	423	21
Zagorci	10	1
Konce	967	47
Lubinca	361	18
Rakitec	519	26
Skoruzha	11	1

The gender distribution of the respondents is also taken into account:

Cair: 323 male and 324 female respondents, with a standard error <5%

Krusevo: 245 male and 240 female respondents, with a standard error <5%

Jegunovce: 256 male and 284 female respondents, with a standard error <5%

Konce: 94 male and 83 female respondents, with a standard error <5%.⁴

Applying the model of disproportionate stratified sample.⁵

⁴ *The percentage is taken from the Census in 2002, and represents the percentage of representation of male and female population in the certain municipality.*

⁵ *This model is proposed, in regards to the issue of access to potential respondents persons, especially in small rural areas where no large movement of population.*

Municipality	Calculated skip interval in the sample (k)	Interval
Cair	$k = 647/100 = 6,5$	Every 7th citizen living in the Municipality of Cair is surveyed
Krusevo	$k = 484/100 = 4,8$	Every 5th citizen living in the Municipality of Krusevo is surveyed (stratification based on settlement)
Jegunovce	$k = 540/100 = 5,4$	Every 5th citizen living in the Municipality of Jegunovce is surveyed (stratification based on settlement)
Konce		Every 3th citizen living in the Municipality of Konce is surveyed

Prior to the surveys, local NGOs were engaged to organize and implement them. Next, there were trainings for the introduction of the objectives and the way the implementation of surveys should be done in order to uphold the methodological framework provided in the questionnaire and to ensure quality implementation of field surveys by pollsters.

The model of the questionnaire

The questionnaire used in the survey is structured questionnaire composed of 45 questions, divided in 5 thematic areas. It is designed to include quantitative and qualitative data that will provide information on demographic and socio-economic position of the respondent, which provides answers and represent their views and perceptions about the quality of municipal services:

Variables:

Gender - *modalities*: male, female.

Ethnicity - *modalities*: ethnic Macedonian, ethnic Albanian, ethnic Turkish, ethnic Vlachs, ethnic Roma, ethnic Serb, ethnic Bosnian and other.

Age - *modalities*: 18-26 years, 26-30 years, 31-40 years, 41-50 years, 50-65 years, older than 65 years.

Economic status - *modalities*: public employees, employed in the private sector, employed in civil society (NGOs), farmer, housewife, pensioner, student / student, unemployed, etc.

Net monthly income of the family - *modalities*: up to 9,000 denars, from 9,001 to 15,000 denars, from 15,001 to 21,000 denars, from 21,001 to 27,000

denars, from 27,001 to 35,000 denars, from 35,001 to 41,000 denars, more than 41,001 denars.

Education - *modalities*: incomplete primary education, primary education, secondary education, higher education (University), completed postgraduate studies (MA or PhD).

Number of family members - *modalities*: up to 2 members, 3 to 4 members, 5 to 6 members, more than 6 members.

Dwelling - *modalities*: citizens living in the seat of the municipality / citizens living in other places outside the headquarters of the municipality.

The questionnaire covers questions that provide information about the perception of citizens' satisfaction with the services of the municipality in relation to the following thematic areas:

- The quality of life in the municipality;
- Satisfaction with municipal services, in terms of decentralized competencies of the municipality;
- Good practices;
- Bad practices;
- Principles of good governance (transparency, participation, efficiency and effectiveness, accountability);
- Local sources of revenue for financing the delivery of local services.

All these areas are applied to questions of municipal performance considering the level of competencies that a municipal government has in terms of education, health, urban planning, environment, communal services, social and child care, protection and security of citizens, sport and recreation, culture and communication.

The key findings from the research in these areas are given below, followed by an overview of general recommendations regarding the improvement of quality of service delivery at local level, aimed at improving the welfare of the citizens of Municipalities of Cair, Jegunovce, Krusevo, and Konce.

General information about the municipalities⁶

According to the profile, the municipalities involved in this research are divided into rural: Konce and Jegunovce, and urban: Krusevo and Cair.

The Municipality of Konce is typically rural municipality located in the Southeast statistical region, covering a total area of 233.05 km², with 3,690 inhabitants according to the latest Census of 2002, which refers to medium-sized rural municipalities in Macedonia. The Municipality of Konce contains of 14 settlements of which 6 are active, 3 with very small number of populations (less than 50), while in 4 settlements there are no population.

The ethnic distribution of population is as follows: 81.5% ethnic Macedonians, 14.7% ethnic Turks, and 0.2% from other ethnicities. The population has a low educational structure, with 41% of citizens with incomplete primary education, 35% with completed primary education, and 9% with no education. Only 14% of the population has high school preparation, and 0.9% has college and university education (*Census, 2002*).

The population is mostly engaged in agriculture, with special emphasis on producing high quality tobacco type "jaka" of approximately 1,000,000 pounds, which represents 5% of total tobacco production in the Republic of Macedonia. Other activities present in the municipality are forestry and farming.

Economically active population in the municipality is 50% of the total population, with 32% who are unemployed. According to gender ratio, the unemployment rate for women is much lower (23%) compared with the state average, and with unemployment of men in the municipality. Most of the unemployed (26%) are in the age group of 30-39 years and the second those from 40-49 years (21%). Most of the unemployed are facing long term unemployment, i.e. wait for the employment of more than 8 years. According to the characteristics of their education, 67% are unskilled workers.

In the settlements of the municipality there are only small commercial shops, one linear local road transport company and one low economic capacity for purchasing and processing of milk. Besides tobacco, the Municipality of Konce as a rare natural habitat with 100% clean environment with great resources and potential to produce healthy food has a vast forest and water resources. It also has potential for development of timber industry, as well as beekeeping, especially for hunting and fishing tourism. According to municipal authorities and by the development strategies of the municipal

⁶ *The data are taken from official documents of the municipality and by individual author's calculations of the State Statistical Office's data*

government, significant investment opportunities in Konce are: greenhouse production and breeding southern crops, production of ecologically healthy food, development of alternative tourism: rural, cultural, archaeological, sports, hunting and fishing and eco tourism, construction of small hydropower plants and reservoirs, harnessing solar energy, construction of processing facilities for agricultural products, building and expansion of new facilities to exploit mineral wealth, development of small and medium capacity for finished products.

The municipal administration comprises of nine employees and the activities they perform are distributed in the following departments: Legal and General Affairs Department, Financial Affairs Department, Department for Urbanism, Communal Affairs, Environment and Economic Development, Inspection Affairs Department and Human Resources Department. The local planning group recommended that there was a need to appeal to open separate regional units of the Cadastre and the Ministry of Agriculture, Water and Forestry in the municipal administration of Konce. It has established forms of IMC with the Municipality of Radovich in: finance and local taxes and fees, urban planning, public works and inspection.

The Municipality of Cair covers an area of 3.52 km² and it is located in the Northeastern part of the City of Skopje. By the new Law on territorial division of Republic of Macedonia which defines the areas of local government, the boundaries of the Municipality of Cair are greatly reduced which is assessed as a handicap to the development by the municipal administration. The total population within the Municipality of Cair, according to the Census (2002) was 64,773 people or 3.2% of the overall population of Macedonia. The municipality has a high density of population with 18,400 inhabitants per square kilometer. The structure of the population according to the ethnicity is dominated by Albanian and Macedonian ethnic origin population, with 57% and 24%, respectively. The structure of the population (*population above 15 years*) by the level of completed education is largely represented by persons who have completed primary and secondary school (42% and 35%, respectively), while with incomplete education are 10% and without education are 5% of the citizens over 15 years. The employment, i.e. unemployment is a problem that exist in the municipality; the unemployment is 36% which is a higher value than the state average unemployment rate, while within the working age population of 19,179 - 10,433 are employees. People with low qualification, qualified and with professional secondary education dominate. In terms of gender structure, unemployment among women is lower although the structure of the unemployed according to the eligibility is similar in men. Within the Municipality of Cair, the dominant economic activities are in the field of small and medium enterprises and entrepreneurship development and in tourism and development in the Old Bazaar.

The municipal administration has a total of 75 employees and is divided into the following departments/divisions: Normative-Legal, Professional And Administrative And General Affairs And Activities Of Public Interest Sector; Normative And Legal Matters Unit; Unit For Activities Of Public Interest; Professional Administrative And General Affairs Unit; Financial Sector; Planning And Execution Of Budget Department; Financial Accounting,

Assessment And Collection Of Taxes, Fees And Other Fees Department; Procurement Division; Urban Planning, Public Works, Environmental Protection And Local Economic Development Department; Physical And Urban Planning Division; Urban Plans Implementation Unit; Public Works And Environmental Protection Department; Economic Development Department; Mayor And Municipal Council Support Sector; The Mayor, Protocol, Information, Communication With Citizens And International Cooperation Support Unit; The Council And Other Bodies Of The Council Support Unit; Inspection Department – Urban And Communal Inspection, Inspection For Road And Communication And Environmental Inspection; Department For Inspection Supervision Over The Affairs Of Other Authorities Of The Municipality, Internal Audit Department, Internal Audit Unit, Control Of The Legality Of Work Division; Human Resources Department. In terms of municipal administration the number is sufficient; there is a lack in terms of personnel qualification of the administration staff, such as surveyors.

The Municipality of Jegunovce is located in the northwest part of Dolni Polog, and is situated on the vast alluvial plain of the river Vardar. By its location, the Municipality of Jegunovce has a very important economic and strategic position because of the wide belt and one hill binds the Republic of Kosovo. It is located 40 km away from Skopje, and the regional road P-1203 which has an international importance leads through it. Also, there goes the railway Skopje-Tetovo-Kichevo. The total area that the municipality covers is 174 km². In the Municipality of Jegunovce there are 17 towns and 4 settlements with a population - over 1,000, others are well-populated with over 400 residents, and 3 with a very small number of residents, from 170 to 300. The total number of inhabitants in the municipality, according to the latest Census of 2002 was 10,790. The population density is 61 inhabitants per km². The total number of individual households is 2,645 and the average number of household members is 4.08, which means that the size of households is quite high. The total number of dwellings is 3,029. The ethnic distribution of the population is as follows: 55% ethnic Macedonians, 43% ethnic Albanians, 1% ethnic Serbs and 0.65% from other ethnicities.

The educational qualification of the population in the Municipality of Jegunovce is low and only 31% of the residents have completed high school. On the other hand, 35% have completed primary education, but there are many people - 28% with incomplete primary education or with no education at all (Census, 2002). In addition, the municipality is one of the largest emigrant communities in Dolni Polog. The main industries are agriculture, or agribusiness, fisheries, forestry and mining. Excluding the percentage of those with an employment status-housewife, the unemployment rate for women (10%) is two times lower than the state average rate (about 31%) and lower than in men, whose rate is far higher (23%) compared to the unemployment of women in the community, and almost 8% lower than the state average. According to the municipal authorities and development strategies of the municipality, there are opportunities for significant investment identified in the context of the development and promotion of agriculture, given the location, and there are opportunities for development of rural mountain tourism. Also, a determination of the municipal government is to create favorable conditions for attracting investments to enhance existing and new economic activities. The tourism potential of the municipality is defined as an opportunity for

economic development. The municipal administration consists of 19 employees and work performed is distributed in the following sector units: Information, Communication and Protocol; Department for Legal and General Affairs and Public Affairs, Division of Financial Affairs, Department for Urbanism, Communal Affairs and Environmental Protection, Local Roads And Streets, And Local Economic Development.

The Municipality of Krusevo covers an area of 205 km², of which 44% is hilly and mountainous, and 56% is mountainous area. The Municipality of Krusevo is linked with regional paths of two sides - with Prilep and Bitola. Krusevo is considered urban settlement since the early 18th century. The Municipality of Krusevo has 9,684 inhabitants, of which 5,330 are urban population, and 4,354 are residents of nearby settlements who live in 2,706⁷ households. Of the total number of 9,684 inhabitants, 49% are women. As far as the age structure based on data from the last Census of 2002 is considered, 14% of the population is young, aged 15-34 years.

The Municipality of Krusevo is a multiethnic community, the dominant ethnic community is Macedonian (63%), and the Albanian ethnic community comprises 21%; while Vlach ethnic community is represented with 11%; and ethnic Bosnians with 1.41%; ethnic Serbs 0.39%; and other ethnic communities are represented by 0.30% of the total population.

The educational structure analysis according to the indicator of school preparation shows that the persons aged 15 years or older in the municipality have the following structure: 4% have no education, 27% have incomplete primary education, 32% have primary education, 30% have secondary education, 3% have higher education degrees, 4% of people have college education and 2- persons have a master degree. The above data shows that the municipality' educational structure is very unfavorable, because more than half of the population older than 15 years has no more than 8 years of education (primary education).

Krusevo faces the problem of unemployment in both the city and in the settlements. Thus, from the total of 1,986 unemployed, 1,149 (58%) are situated in Krusevo and 837 (42%) in the settlements. Analysis of the structure of registered unemployed persons by age shows that in the Municipality of Krusevo more than half of the people are younger than 29 years. Of the total registered unemployed persons aged 29 years, 39% are women and more than half (51%) belong to age group of 25-29 years. By the level of education, 42% are unskilled and semi-skilled (of which nearly all workers are without occupation), and 49% are persons with secondary education. The number of unemployed with higher education is 41 people⁸. Even more worrisome is the fact that the majority of the unemployed in the municipality are jobless in a long period, therefore more than 50% of the unemployed are waiting more than 8 years to get a job. The total number of employees in the municipal administration is 31 people who are full time and

⁷ *Census of the households and dwellings in Republic of Macedonia, 2002*<http://www.stat.gov.mk/Publikacii/knigaXIII.pdf>

⁸ *Local Action plan of the Municipality of Krusevo*

three contract employees. The municipal administration is organized into the following organizational units: Department For Legal, Administrative And General Affairs And Public Services; Department Of Finance And Budget; Department Of Economic Development And Cross-Border Cooperation, Department Of Urban Planning, Public Works And Environmental Protection.

Key findings

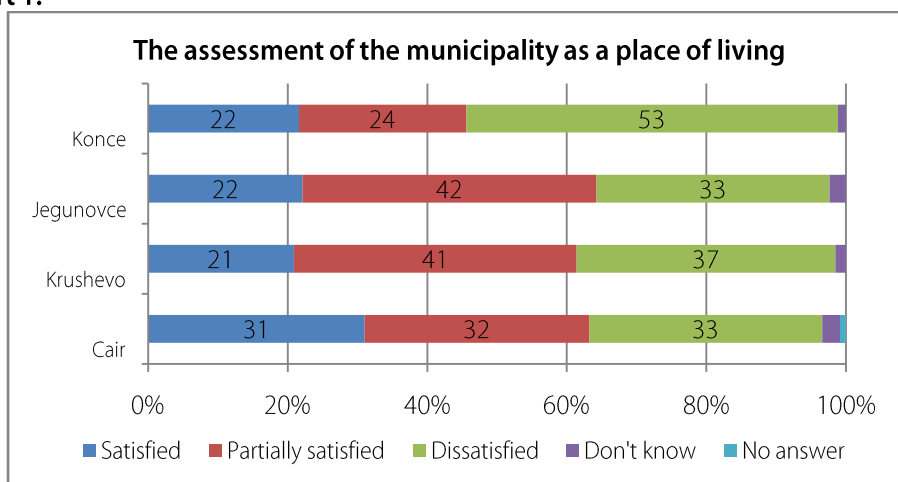
The quality of life

The Quality of life is a multidimensional category, which is defined by subjective and objective factors and their interdependence. Subjective perceptions largely depend on the objective living conditions, including the quality of service that citizens receive from the central and the local governments. The services that the local authorities provide, especially in a system with a wide range of local services have a major impact on the determinants of the quality of life.

The quality of life despite the dynamic, has a spatial dimension, as well. In a broader sense, it is conditioned by the framework of the local and the central government. It has policy implications on the local government that are necessary to ensure the accumulation of social capital development at the local level.

Generally, many citizens of the four pilot municipalities are not satisfied with the quality of life in their communities. Nearly in all aspects that describe this category, they reported a negative percentage. Regarding the assessment of the municipality as a place to live, with a negative attitude on this question, the Municipality of Konce leads, with 53% dissatisfied people. The quality of life is a concept in which the gender distribution of views is important. Research shows that males are significantly less satisfied in terms of the municipality as a place to live in all four municipalities. The comparative survey of the distribution of responses according to the specific categories is given in the following chart:

Chart 1:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

There is a high percentage of dissatisfaction in all municipalities in terms of how citizens view their municipality as a place of residence of their families. The highest percentage of male and female respondents expressed dissatisfaction, with greater discrepancy between the gender in the municipalities Krusevo (42% male and 27% female) and Jegunovce (48% vs. 36%). The lowest number of satisfied people regarding this issue again is in Konce, only 14%.

Apart from the general assessment for the municipality as a place of living, the citizens also evaluated the quality of life in their communities, thus, the citizens of the Municipality of Cair are considering their municipality positively in this category, with 23% of respondents satisfied, and the worst opinion have the citizens of the Municipality of Konce, with only 8% of respondents who are satisfied. Konce has the largest number of people dissatisfied with the quality of life in the municipality (61%), as well.

Krusevo and Konce, and especially Krusevo are assessed as municipalities with the highest percentage of satisfied people in the category of quality of the municipalities as places of residence for the elderly. Unlike other categories, the expressed contentment in these two municipalities is in high correlation with satisfaction with the environment, especially in municipalities' unpolluted air, soil, water and nature.

On the other hand, in the rural municipalities Konce and Jegunovce according to the results, have no quality living conditions of members of vulnerable groups.⁹

High percentage of dissatisfaction regarding this issue has the Municipality of Cair, as well, where up to 50% among male and female respondents have dominating position of dissatisfaction. Given that the actualization of the issue of vulnerable groups is not very ancient, not only for the citizens, but also for the policy makers at the local and the central level, a high percentage of dissatisfaction should be understood as an alarm for institutional and non-institutional actors to increase their efforts to raise awareness in relation to the presence of a vulnerability in certain individuals and population groups. According to the index for social inclusion¹⁰ at local level, the Municipality of Cair is ranked with the highest value of the index of the four municipalities that are the subject of research - 6.9 and takes second place at state level (after the Municipality of Aerodrom), Krusevo has value index of 4.53 and is located at 63th place, Jegunovce and Konce occupy 48th and 49th place, with the index value of 4.81. From these results, one

⁹ *Vulnerable groups (children with special needs, homeless children, homeless people, persons with disabilities, people with HIV or other infectious diseases, persons older than 60 years, retired, internally displaced persons, people from rural communities, unemployed, Ethnic Roma community, victims of domestic violence, drug users and recipients of social assistance).*

¹⁰ *The index of social inclusion is an indicator that perform ranking of all 84 municipalities in Macedonia in 2011, based on the following indicators: basic needs (water, sanitation, electricity), education, employment, social protection, health, rural population, elderly people, transport and communications, gender equality, people with disabilities, youth and Roma. The size of the index is measured on a scale of 0 to 10 and is proportionate to the rank of the municipality (higher index - higher rank). (Publisher: Institute Euro - Balkan; Index of social inclusion at local level (2011), p.13)*

may conclude that in rural areas more attention should be paid to the vulnerable population groups in order to improve their quality of life. Reducing vulnerability as a mean of improving social inclusion and social cohesion should be a priority in the agenda of policy makers at the local level in all municipalities.

The Quality of life is closely linked with the age of citizens, accordingly it is important to consider this aspect, because in different age groups the perception are expected to differ, due to various factors that determine the impact on this concept among younger and older population. When doing a comparative analysis of all four municipalities, it is worth noting that contrary to expectations, there is no common thread that would ascribe to the particular age group in all four municipalities. Thus, young people aged 18 to 33 years from the Municipality of Cair reported in a high percentage (43%) that the quality of life in the municipality meets its criteria. On the other hand, those of middle age expressed dissatisfaction. In Krusevo and Jegunovce largest percentage of all age groups are partially satisfied with their communities as places to live, and in Konce the trend of dissatisfaction grows proportionally with age.

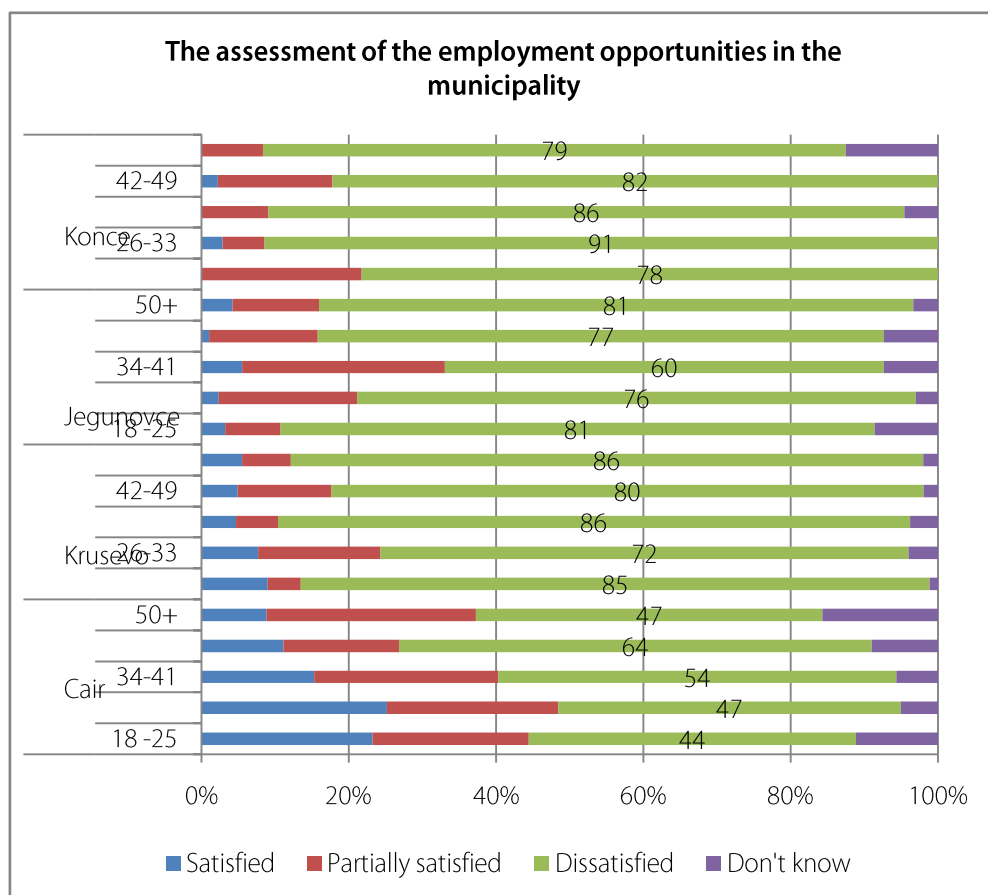
There is a pessimistic stance in all municipalities, except in the Municipality of Cair regarding the municipality as the place of living of the respondents' families, not only for those members of the youth that are expected to family planning in the future, but also for those who already have a personal family life. In Cair, those in middle age expressed dissatisfaction regarding the issue. Members of the older groups in Konce are dissatisfied with the quality of the municipality as a place to live, probably because the municipality does not offer different forms of economic activities, nor any forms of cultural entertainment and social life, and in other municipalities this age group is partially satisfied. In the Municipality of Cair, youngsters again underlined a percentage of satisfaction that could be related with rich offer from any aspect of this urban community.

In Krusevo, as respondents' age progresses, so has the level of satisfaction in relation to the municipality as a place of residence of the elderly, unlike Cair, where the situation is progressing in the opposite direction. What is evident is that the Municipality of Konce is favourable place for the elderly people, because all age groups showed some positive picture concerning this issue. In Jegunovce, the attitude of discontent in this category in all age groups dominates, as well. In terms of living conditions of vulnerable groups in the municipalities, in all municipalities, except in Krusevo a high percentage of concern is shown by the respondents that their municipalities are not favourable place for vulnerable groups. It is worth noting that there is a large percentage of those who answered that they have no opinion on this issue, which also can be taken as a negative indicator that the municipality does not have enough fore for the issue of treatment of vulnerable population groups, which confirms what was outlined above.

It should be noted that the answers of respondents highlighted a problem, present for a long time, and caused by a severe economic situation that the state faces; it is one of the dominant issues of decentralization, and that is the functioning and the quality of life in small communities. This will become even more evident in the section analyzing the fiscal capacity of the municipalities. The quality of life, as was noted above,

is influenced by factors from economic and non-economic nature. Economic factors will be considered through the prism of unemployment and involvement of the municipality to what it means local economic development. Presenting the general profile of each municipality, above, based on statistical data, it was concluded that the problem of unemployment is unfortunately one of the most important features of all four municipalities, which endangers the lives of the majority of the population. Surveys conducted in the municipalities, only supported these statistical indicators through the consciousness of citizens of the municipalities that unemployment in their communities is high and that they are not satisfied with the job opportunities offered in their communities. It is a concerning fact that all age groups in the municipalities Krusevo, Jegunovce, and Konce expressed a high percentage of dissatisfaction, which in the Municipality of Cair is slightly lower. These attitudes are shown in the Chart:

Chart 2:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

There is no significant difference between the perceptions of members of different gender groups and different ethnic communities. Those who have a passive employment status as housewives, pensioners, students, as well as individual farmers consider the problem much more critically and are hopeless compared to citizens with a different employment status, and the same goes for those with lower educational level. Differences in dissatisfaction expressed in different communities, even in the same age group in the individual municipalities are extremely high, as in the urban Municipality of Cair in the population aged 26-33 years, the dissatisfaction is 47% compared to the rural Municipality of Konce where it is 91%. There is a dark perspective of employment in rural areas, which primarily motivates the young people to migrate to urban areas in the country or abroad, indicating that the trend of the mono-centric concentration of the development as "imbalanced" model will continue in the future. The central authorities responsible for "balanced" regional development should pay special attention to these trends, and local authorities on the basis of these analyzes should initiate and argue the need to strengthen the "polycentric" models of development. The members of the households with incomes of 9,000 to 15,000 denars reported that unemployment in their communities was very high in largest percentage. The citizens believe that their municipality does not adequately treat the problem of unemployment, yet the municipal administrations in all four municipalities have declared that they are active in that direction and take active measures for employment, in accordance with operational plans of the Ministry of Labor and Social Policy.

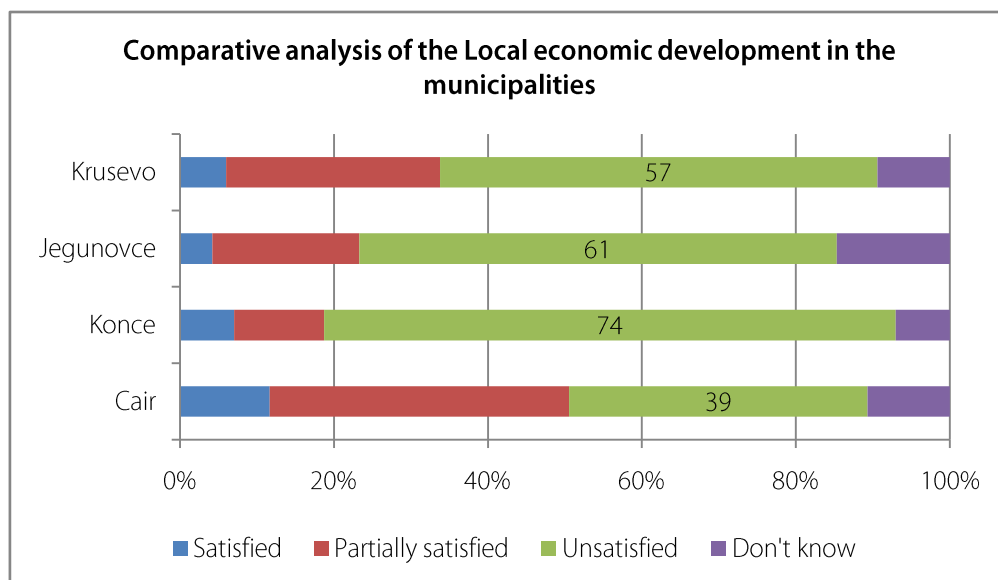
One of the concepts that would greatly support the process of reducing unemployment is the local economic development. However, the findings do not show more optimistic picture in that direction. The local economic development mostly concerns the young people aged up to 33 years, a fact which combined with earlier questions about dissatisfaction with the quality of life and opportunities to work in municipalities, is signaling pessimism about the situation in the municipalities and the associated perception of hopelessness and economic lethargy of the inhabitants of these municipalities. In all municipalities, except in Krusevo, members of minority ethnic communities are less satisfied with LED compared to the majority. In Krusevo, Jegunovce and Konce all age groups are equally concerned about this issue and in Cair, the greatest satisfaction (44%) is among young people aged 18 to 25, and biggest dissatisfaction (41%) with those of 34 to 41 years.

Contrary to these findings, the municipal authorities consider that they are most active entity in promoting local economic development. The local municipal government has responsibilities¹¹ for planning of LED, determination of developmental and structural priorities, leading to local economic policy, supporting the development of

¹¹ *The specified area is subject to regulation by the following laws: Law on Trade ("Official Gazette" No. 16/04); Law on Catering Activity ("Official Gazette" No. 62/04); Law on craft activity ("Official Gazette" No. 62/04); Law on tourism activity ("Official Gazette" No. 62/04); Law on Consumer Protection ("Official Gazette" No. 38/04) Law on Trade companies ("Official Gazette" No. 28/04 84/05); Decree on trading activities of small scale and manner of their registration ("Official Gazette" No. 64/05).*

SMEs and entrepreneurship at the local level, and participation in the establishment and development of local network of institutions and agencies promoting the partnership.

Chart 3:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

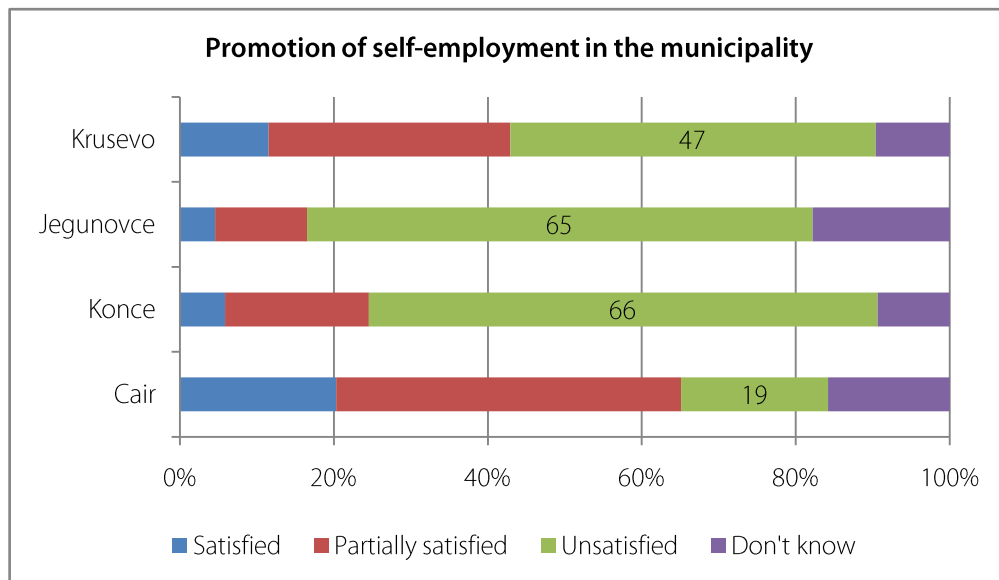
Generally, the data show that unemployment has been and remains the biggest factor for dissatisfaction of the citizens, i.e. almost no other category in the survey, which generates so low level of satisfaction. In addition, it is evident that the degree of dissatisfaction is largely contrariwise with the size of the municipality - i.e. in the larger municipalities (by population) lower levels of dissatisfaction with local economic development have been seen, from 39% in the Cair to 79% in Konce. Municipalities Jegunovce and Krusevo are pretty close in size, but also by the level of dissatisfaction. Another relevant conclusion is that in urban municipalities (which have greater institutional capacity), the degree of dissatisfaction is extremely small (as Cair and Krusevo). The chart that follows, which refers to supporting self-employment by the local self-government, shows a similar correlation with local institutional capacity in urban compared to rural municipalities.

The data show that respondents in Cair are partially satisfied (45%) with the support of SMEs at local level, and as a result of disaggregation of data according to different criteria, in the Municipality of Konce men are less satisfied than women, ethnic Macedonians are more dissatisfied than the ethnic Turks (64% vs. 21%) and those who are in most active age in their lives (from 26 to 41 years), but also those over 50 years of age. In Jegunovce dissatisfaction also dominates with 55% and what is important to note is that those working in the private sector, farmers and unemployed, representing the

category of people who are in most need for support regarding this problem, showed the greatest dissatisfaction with the support of local government to SMEs. In Krusevo, what is evident is that there is a high percentage of unemployed who are not satisfied on this issue (58%), members of all educational levels and all categories of working / non-working status.

The following chart shows the dissatisfaction with the promotion of self-employment in the municipalities. The percentages are significantly large, especially when it comes to the municipalities in which unemployment is very high and initiatives for self-employment and starting their own businesses should be a priority. Above all, as in previous analyzes, a greater percentage of dissatisfaction in rural communities is evident where the level of economic mobility is concentrated mainly to agricultural activity, although the municipalities in their strategies and analyzes highlight the opportunity for development of other activities. Municipalities should undoubtedly take activities in this course.

Chart 4:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

All four municipal governments have to commit to actions to increase awareness of registering individual farmers, small businesses formalization by using subsidies, encouraging application and participation in programs IPA/IPARD, establishing municipal funds for SMEs, and opening small production plants.

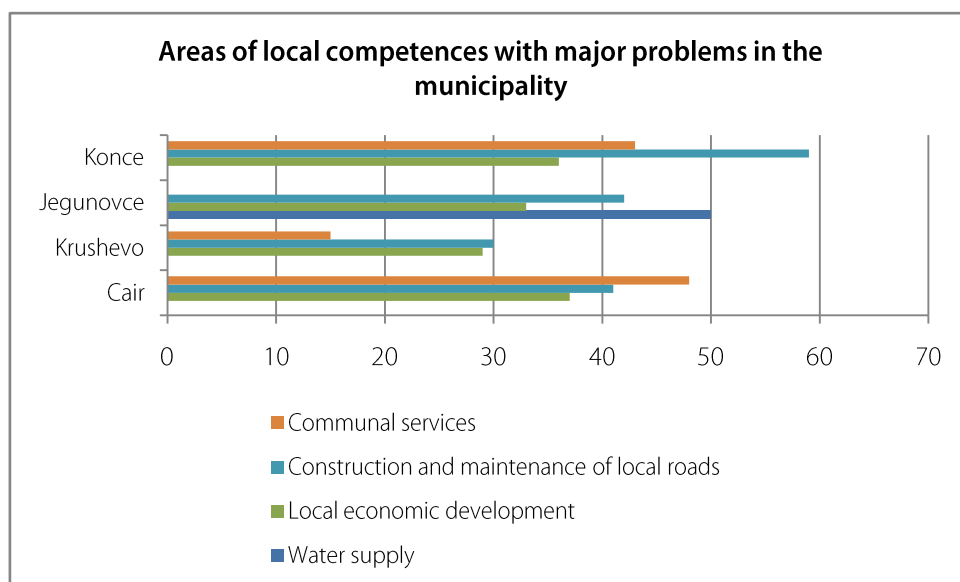
These data related to unemployment in municipalities only corroborate what is stated above, which is that municipal governments, despite the strategies that exist at the central level, should take measures to revive the self-employment through programs

to support entrepreneurship and SMEs that will contribute not only to reduce unemployment, but also to increase local economic development (LED). Undertaking activities aimed at LED, significantly contributed to improve the quality of the municipality as a place of residence.

The areas of local responsibilities with major problems expressed

In terms of satisfaction with the services offered by the municipality, respondents identified three areas of local jurisdictions with the greatest problems associated with delivery of local services over the last three years.

Chart 5:



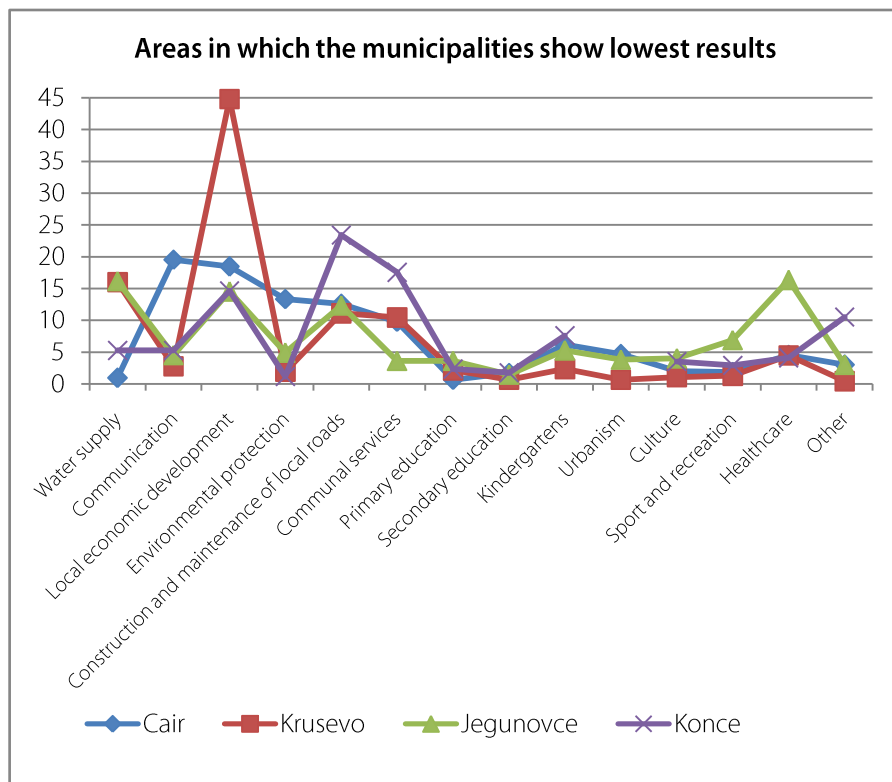
Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

It seems that citizens in all four municipalities are suffering the same problems with lack of quality services, although all of them are located in different regions and have different profiles. These problems relate primarily to road infrastructure, i.e. construction and maintenance of local roads, then communal services, i.e. public hygiene and waste management and local economic development.

The chart below shows the civil perception in relation to three areas in which municipalities showed the weakest results. What is worth emphasizing is that the problem of road infrastructure, as well as, to local economic development, whose correlation is quite high, is evaluated by the citizens as areas where their communities

have not reached satisfactory results. This only confirms previous findings and represents a parameter for the municipal governments for where to focus in the future.

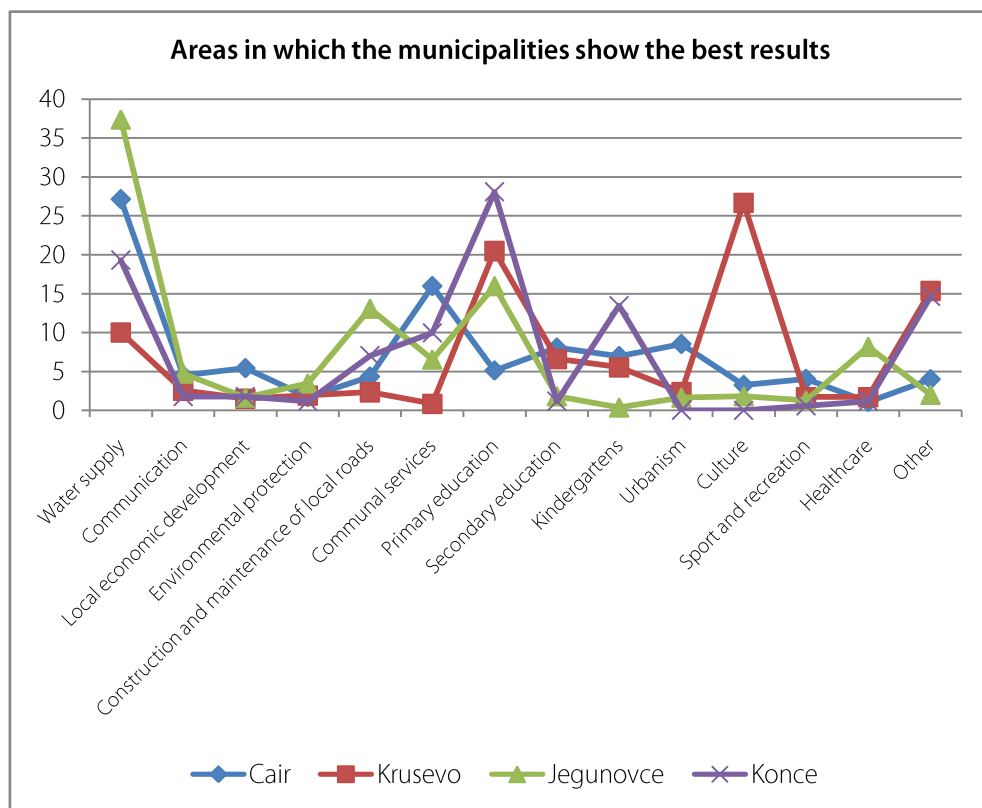
Chart 6:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

As far as the parameters that show citizen perceptions of the areas in which the municipal governments have shown the best results, primary education appears as the dominant area of all municipalities, except in the Municipality of Cair where the water supply is stressed. The area of primary schools is covered with stable grants; therefore undoubtedly it shows the best results in the service delivery.

Chart 7:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

When expanding the analysis at the municipal level, it is evident that the citizens in the Municipality of Krusevo reported that the state of road infrastructure (30%), which is manifested through the engagement of local authorities over the construction and maintenance of public roads is reflected as the biggest problem in their municipality. It is followed by the local economic development with 29%, and the third problem listed is the problem with the quality of the communal services by 14%. While for the Macedonian ethnic community in the Municipality of Krusevo the local economic development is the biggest problem, for the Albanian ethnic community, the biggest problem is the construction and maintenance of the local road infrastructure.

In terms of highlighting the areas of local jurisdictions where there are major problems, that the municipality of Konce is facing in the last 3 years, the problem of road infrastructure, which is evident through the engagement of local authorities over the construction and maintenance of public roads is highlighted as the biggest issue, and the

state of public services that represent a significant problem, while LED occurs as the third problem. The distribution of results regarding this issue shows that all age groups are approximately equally affected by the condition of local roads, with 39% of those aged 18 to 25 years and 33% of those over age of 50. As far as displaying the best and worst performances of the municipal government, the results show that citizens believe that it has achieved the best results in the area of primary education and water supplies. Weakest results were achieved in the field of communal services, which primarily concerns the construction and maintenance of local roads.

In the Municipality of Jegunovce, citizens have reported that the situation with the water supply, the state of roads, and local economic development are the biggest problems they face. The distribution of results regarding this issue shows that all age groups are approximately equally affected by water supply as a problem (over 44%) and the area of local economic development, with an average of 25%.

In terms of highlighting the best and worst performances of the municipal authority, the results show that citizens believe that last year the municipal administration achieved the best results in the same area that was identified as a significant problem. Weakest results appear in the fields of healthcare, local economic development, construction and maintenance of local roads and water supplies.

In the municipality of Cair major problems arise with communal services (public hygiene and waste management), the construction and maintenance of local roads and local economic development. The municipal government has prior knowledge of the existence of problems in the above areas and is already planning activities to resolve them. Generally, the municipal government believes that there are not sufficient funds for the preparation and implementation of local policies, strategies, programs and plans in education, urban planning, environment, communal services and local economic development. The main reason for this is insufficient revenue stream for all the previously listed areas except the education, where the problem focuses on the amount of block grants particularly over rising prices of central heating, oil derivatives and so on.

It is indicative that the local economic development and public communal infrastructure are emerging as common priority areas for intervention in all municipalities, because those were the most emphasized problems in the delivery of local services. These two areas are specific due to the fact that they are not supported by stable grants. Especially regarding the LED there is no systematic support from the state and the communal infrastructure capital grants or investments of the state are fragmented. The analysis of the conditions of satisfaction with public services sectors, which follows below, will reveal more details about these issues and point to more conclusions and recommendations with the aim of improving conditions in the municipality and increasing the satisfaction of citizens.

The satisfaction with municipal services in the area of education

The decentralization in education in the Republic of Macedonia was and still is a complex and delicate process that primarily can be successfully implemented if there is a quality of the legal framework that covers this area; and if there is a basic infrastructure, and a solid staffing of the entities that are holders of this process. Education as an authority is transferred in the following segments: establishment of primary and secondary schools, funding of operating costs, appointing directors, hiring necessary staff, organizing transportation and nutrition of students, accommodation in dormitories, etc.¹² It is evident that not all local governments have the necessary human capacity and infrastructure needed to undertake new responsibilities and powers provided by the new reality in education. This study shows the disparity in this area which is primarily due to differences in infrastructure in education.

The municipal government of Cair is responsible for establishing, financing and administration of primary schools in collaboration with the central government. In terms of organizing the transportation of students it participates in the division of funds from block grants for that purpose, and organization of nutrition. The municipality does not offer housing in dormitories. It manages 10 primary schools with a total of 7,903 students. The secondary schools are under the jurisdiction of the City of Skopje.

The respondents in the Municipality of Cair compared with respondents in other municipalities show lower levels of satisfaction with services in education. In this regard, 60% of respondents are satisfied or partially satisfied, while 32% are not satisfied with the service in the field of education. If we analyze the age structure, younger respondents expressed a greater level of satisfaction with service quality in education, in general. Only 26% of respondents aged 18-33 years are not satisfied with education services in general. Dissatisfaction in Cair is relatively high, with about 40% in the area of educational infrastructure. If you analyze the ethnicity indicator, it shows that no appreciable difference in opinions between ethnic Macedonian respondents (43%) and ethnic Albanian respondents (38%). It is interesting that about 28% have no opinion on this issue. In terms of teaching quality, satisfied and partially satisfied responses dominate, which is certainly a positive feature of the municipal government. Interesting is the fact that Cair's percentage of dissatisfaction compared with other municipalities is greater when it comes to primary education. Only 22% are not satisfied with the services in primary education.

Municipality of Krusevo has jurisdiction for the establishment, financing and administration of primary and secondary schools in collaboration with the central government, as well as, organizing transport and lodging of students. Generally, respondents expressed satisfaction with educational services that are a responsibility of municipal authorities. Approximately, 82% of surveyed people in the Municipality of

¹² *Article 22, paragraph 1, point 8 of the Law on Local Government*

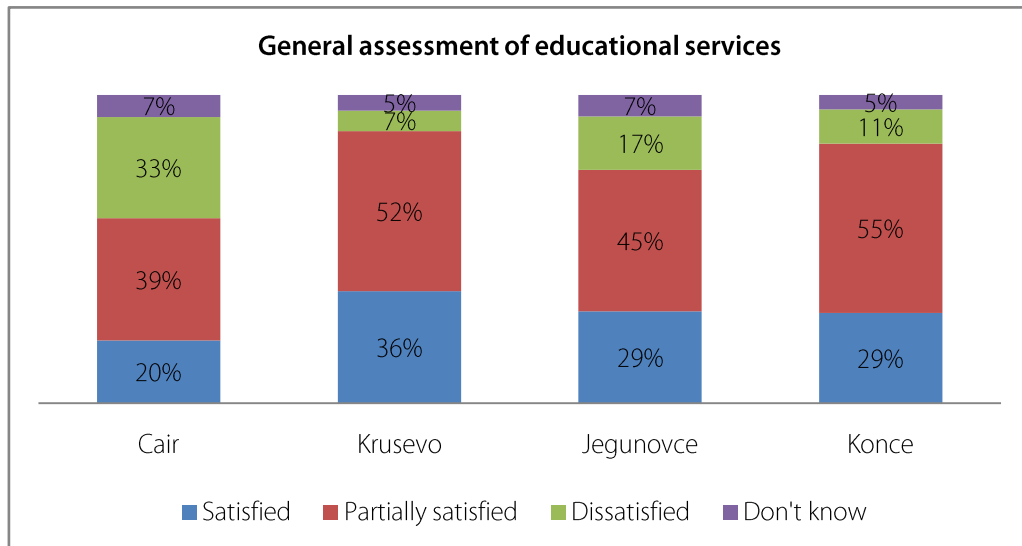
Krusevo are satisfied or partially satisfied with the services in education. Among young respondents from 18-33 years of age, the percentage of satisfied or partially satisfied is higher. In terms of the educational infrastructure the level of satisfaction (satisfied or partially satisfied) decreases to 71%. Only 9% of respondents from ethnic Macedonian community are not satisfied with the educational infrastructure, while the percentage of dissatisfied ethnic Albanians is even 6 times greater with 67% dissatisfied, suggesting the need to improve educational infrastructure in the settlements of minority communities. In principle, citizens are satisfied with the management of decentralized services in education, but expect an improvement of educational infrastructure. The percentage of satisfaction increases for the perception of service quality in primary education. Namely, even 87% of respondents in the Municipality of Krusevo are satisfied or partially satisfied with the services in primary education.

The Municipality of Jegunovce has an authority for establishing, financing and administration of primary and secondary schools in collaboration with the central government, as well as organizing transport and lodging of students. Based on the results of a survey of satisfaction with services, 75% of respondents are satisfied or partially satisfied with the services in education. Interesting is the fact that the level of dissatisfaction is greater among ethnic Albanian respondents with 25%, while the ethnic Macedonians' discontent is 3 times smaller with about 9%. The percentage of satisfied and partially satisfied of the young aged 18-33 years is within the general trends of the satisfaction. Approximately similar perception exists in the field of educational infrastructure in which 26% of respondents are satisfied with the existing educational infrastructure in the Municipality of Jegunovce. The level of satisfaction with services in primary education is about the same, where about 76% of respondents are satisfied or partially satisfied with the services in primary education.

The Municipality of Konce has jurisdiction for the establishment, financing and administration of primary and secondary schools in collaboration with the central government, as well as organizing transport and lodging of students. There is only one primary school "Goce Delchev" in the municipality, with four regional schools to fifth grade.

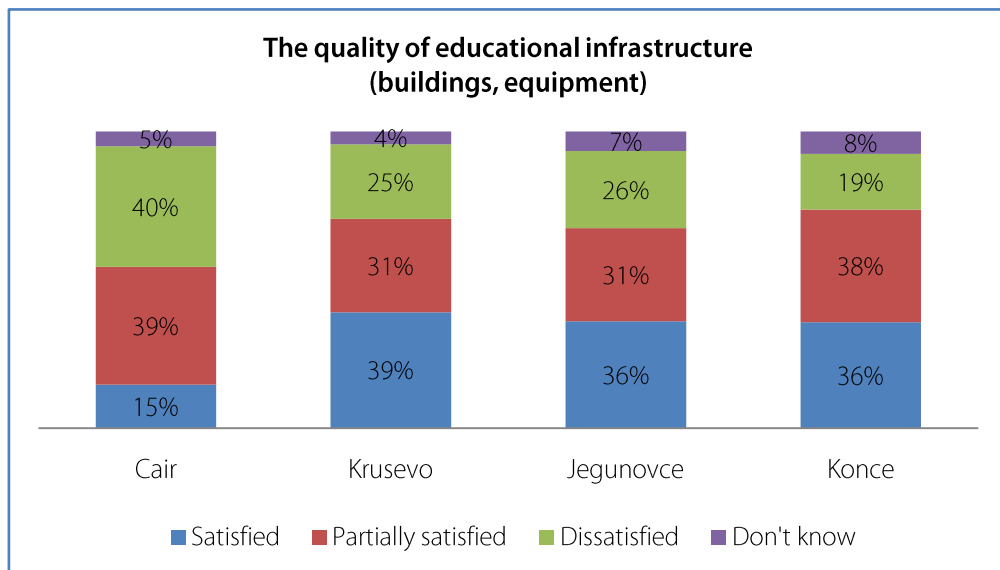
Generally, the respondents expressed satisfaction with educational services that are the responsibility of municipal authorities. Approximately, 85% are fully or partially satisfied with the overall services in the field of education. The same percentage is apparent in satisfaction with transport services for students, and slightly lower percentage is assessed in satisfaction with the infrastructure of educational institutions. Of the total respondents, 19% are not satisfied with the educational structure. The quality of teaching in secondary schools is highlighted as a problem that caused more resentment among male respondents, than in females, because there is no secondary school, so students are forced to travel to other municipalities. The quality of teaching in primary schools was rated as good, with 77% of satisfied or partially satisfied citizens.

Chart 8:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

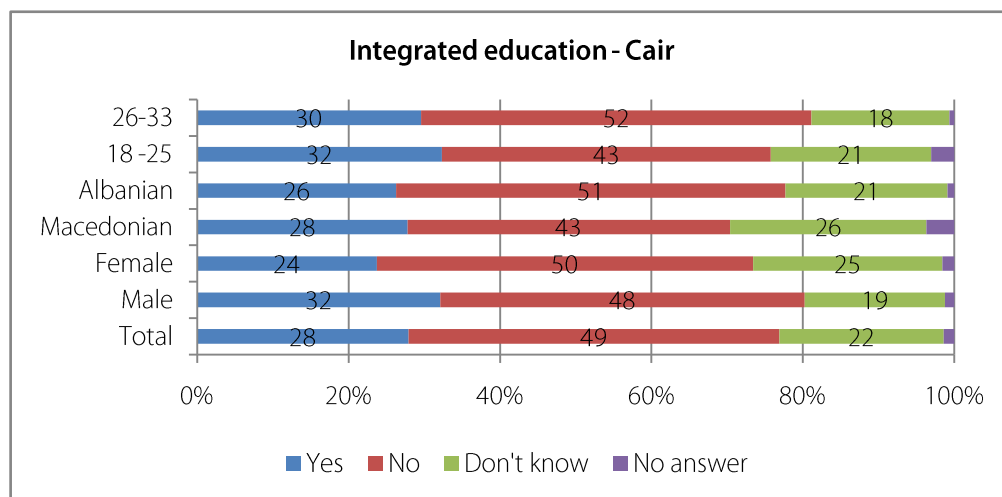
Chart 9:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Regarding the issue of introduction of integrated education, 49% of the respondents are against this idea, while 28% have no opinion on this issue. In this direction, it would certainly be good to make the promotion of the benefits of integrated education, so people would be informed and have reasonable judgment on this issue. It is interesting to note that respondents with higher levels of education (MA and Ph.D.) largely support the idea of introducing integrated education in the Municipality of Cair (47%), which only confirms the previous hypothesis about the degree of influence of the level of awareness in assessing the effects of integrated education. Parsed by ethnicity, the results show that there is no significant difference in opinion, 43% of ethnic Macedonians, 51% of ethnic Albanians and 45% of ethnic Turks are against the introduction of integrated education. It is symptomatic that 69% of ethnic Roma are against the introduction of integrated education. Regarding the latter, forthrightly analysis statement of the reasons that lead to this opinion should be done, whether there are certain prejudices and stereotypes that affect members of the ethnic Roma community to feel equal in the mixed environment. The local government should work institutionally in this track in order to raise the awareness and reduce the negative effects that stereotypes and prejudices carry.

Chart 10:

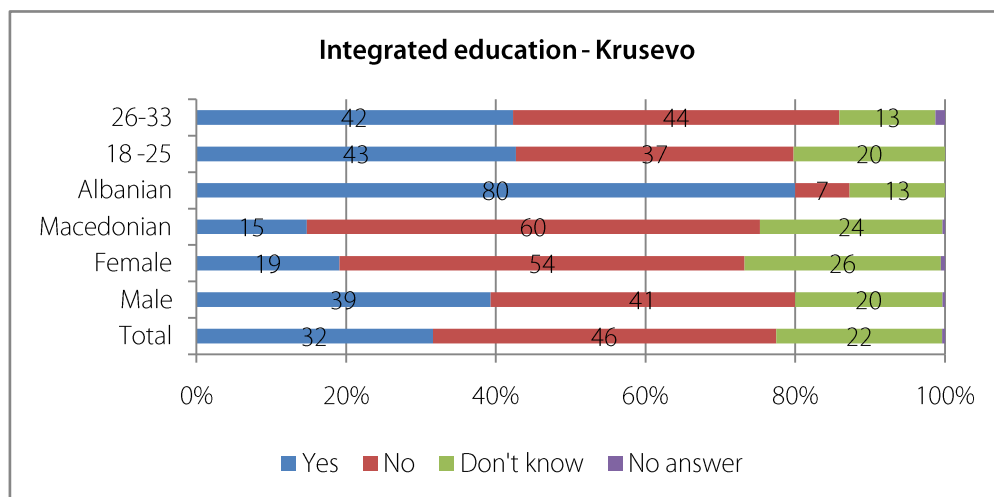


Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

As regards the introduction of integrated education for which the central government has produced a strategy appropriate to its importance and significance for the country in general and the multicultural communities in particular, the findings from the Municipality of Krusevo vary depending on the criteria for distribution. Ethnic Albanian population is pro integrated education with 80%, while the ethnic Macedonian population is against integrated education with 61%. Interestingly, youngsters in larger percentage would accept this concept, because the results of the survey show that 41%

of youth are in favor of the integrated education. Women, unlike men surveyed were skeptical in accepting the concept of integrated education. Interesting is the fact that respondents have no information about this concept, namely every 5th person surveyed has opinion about the possibility of implementing integrated education.

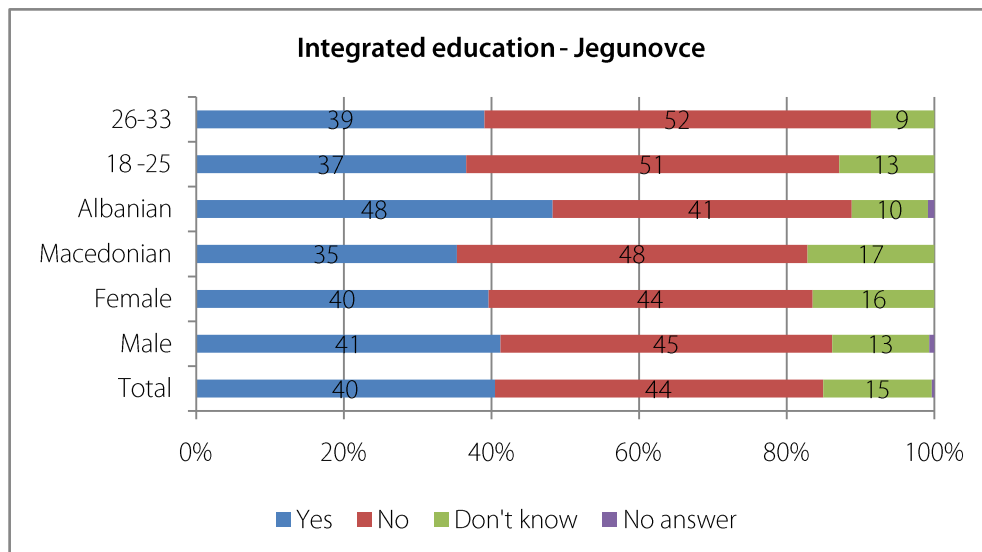
Chart 11:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

As regards the introduction of integrated education, the findings from the Municipality of Jegunovce show split in opinions of the respondents of which 40% are pro and 45% against it, and 15% said they had no opinion. Analyzed by age groups it is visible that there is an opposition of all age groups, but it is interesting that the age groups of 18-25 and 26-33 years have reported a higher percentage than other age groups. In terms of ethnicity, the percentage of opposition of the ethnic Macedonians is 48% and against are 35%, while the ethnic Albanians with 41% against and 48% for the introduction of integrated education. Given that Jegunovce is one of the few municipalities where integrated education in primary and secondary education is already functioning, through a project of the Nansen Centre in Skopje, the reasons for the division of opinions is a challenge for the analysis by municipal authorities.

Chart 12:



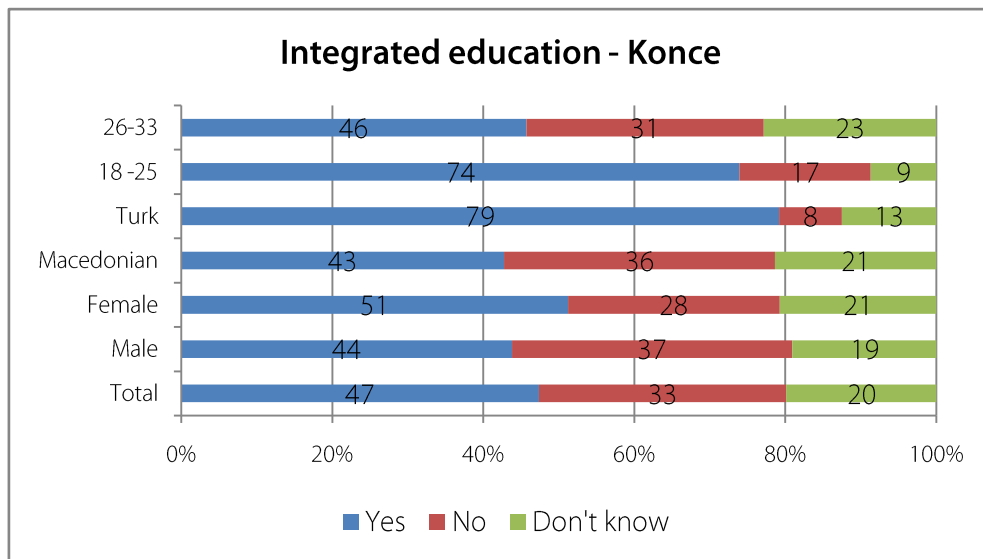
Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

In the Municipality of Konce, the majority agrees that there is a need for an integrated education (47%). This prevailing attitude may be explained, i.e. from the aspect of existing educational opportunities available to students, which affects their opinion on the need for integrated education.

This issue is very important to consider in the light of the members of different ethnicities, and different age groups, as expected these two variables to reflect the high correlation with the opinion of the need for introduction of integrated education. The issue is analyzed from the perspective of people with different ethnic backgrounds, because it is very important to determine whether there is variation in perceptions caused by the different ethnicity of respondents. The results confirmed the difference of opinion - the majority of ethnic Turks in Konce (79%) are proponents of the idea of integrated education, compared with (43%) of the ethnic Macedonians. Referring to the age of the respondents, which is a relevant factor to distinguish between those directly involved in education and those indirectly involved in it (i.e. parents of children who are in the process of education), significant to note is that respondents in the youngest age group expressed the highest percentage of support for the introduction of integrated education (74%), which indicates that they are best prepared to support the processes of learning about the culture and language of the other. Largest reservation is present in the group of 34-41 years (55% oppose). Although it was expected that there will be significant differences between age groups, especially between the attitudes of young people (18-27) and those over 50 years of age, contrary to expected, results showed that the level of correlation is very low, which means that there is no significant correlation.

Respondents of the feminine population are proponents of introducing integrated education more than male respondents, respondents with higher education levels (67%) strongly support the idea of introducing integrated education.

Chart 13:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

Although the object of the analysis in this study are the municipalities that are different in infrastructure (urban / rural), and demographic and socioeconomic attributes, the fact that citizens of all municipalities integrated in the study show a relatively high level of satisfaction with general services in the field education is appealing. In this regard, in Cair, 59% of citizens are satisfied or partially satisfied with the services in this area, in Krusevo 70%, in Jegunovce 66%, and in Konce 73% are satisfied or partially satisfied in general from the services in education. Citizens interviewed in all municipalities show a greater level of satisfaction with human capital engaged in education rather than the infrastructure.

Out of the ordinary is the fact that the citizens of Cair show much greater dissatisfaction with the educational infrastructure, double the dissatisfaction of the citizens of smaller and rural municipalities. In smaller municipalities dissatisfaction of minority communities in terms of infrastructure is much higher than respondents from the majority ethnic community.

As for integrated education, it could be concluded that the ethnic communities that are a majority in the municipalities do not look favorably on the implementation of integrated education. In this regard, 51% ethnic Albanians in Cair, 53% ethnic

Macedonians in Konce (that are a majority), 47% of ethnic Macedonians in Jegunovce and 60% of ethnic Macedonians are against integrated education. Young people from 18-33 years have a very positive opinion about the implementation of integrated education in their community.

The satisfaction with municipal services in the area of urban planning

The Local Government is competent to perform the following tasks in urban planning: Urban (urban and rural) planning, granting approval for construction of buildings of local significance established by law, spatial and arrangement of construction land; Depending on the space subject to planning to adopt the following plans: Spatial Plan of Republic of Macedonia, urban plans: general urban plan¹³, detailed urban plan,¹⁴ urban plan for villages¹⁵ and urban plan outside settlement.¹⁶

The citizens in the analyzed municipalities evaluate the services of urban planning area in the following segments: the adoption of general, detailed urban plans for village and urban plans for the settlement, the procedure for obtaining building permits and provide a general assessment of urban planning. This competence is important because it is correlated with quality of life and local economic development of the community.

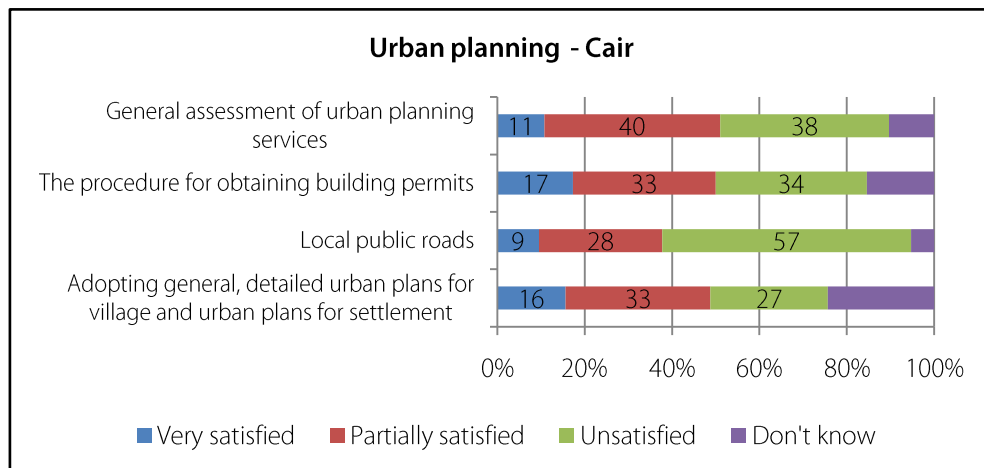
¹³ *General urban plan adopted for the City of Skopje and the towns which are seats of municipalities established by law.*

¹⁴ *Detailed urban plan adopted for planned outreach, for which general urban plan was adopted.*

¹⁵ *Urban plan for village is adopted for the settlement area in the municipality of rural character.*

¹⁶ *Urban plan outside a settlement is made as required for planning outreach for areas of rural character. With this plan the purpose and the use of space, and the conditions for building complexes and buildings outside the towns and other settlements are governed.*

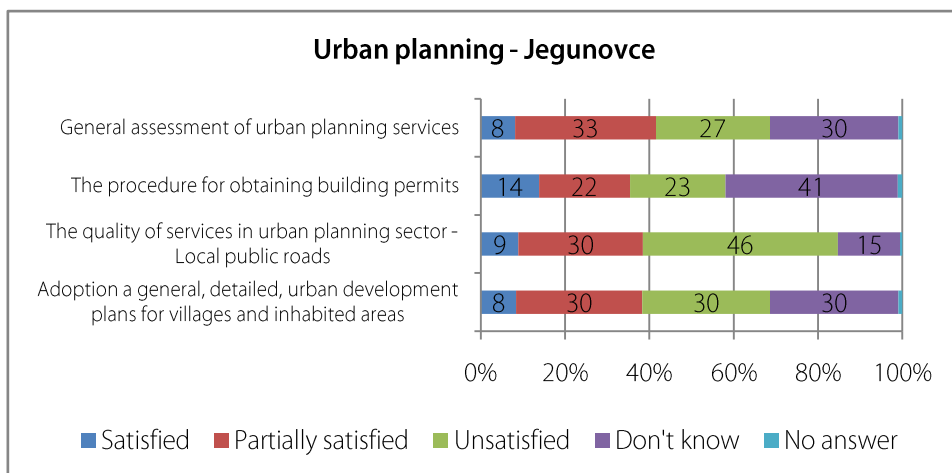
Chart 14:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Regarding the assessment of the adoption of general and detailed urban plans in the Municipality of Cair, the individual assessments for partial satisfaction (33%) dominate, but in the same time dissatisfied outnumber the satisfied respondents. In Konce and Krusevo dissatisfied are 46% and 31% of the respondents, while in Jegunovce partially satisfied and satisfied are 30%. The results generally do not differ when data is analyzed in terms of age and ethnicity. Extremes with respect to the first question can be distinguished in 62% satisfied ethnic Roma and 32% dissatisfied ethnic Albanian respondents.

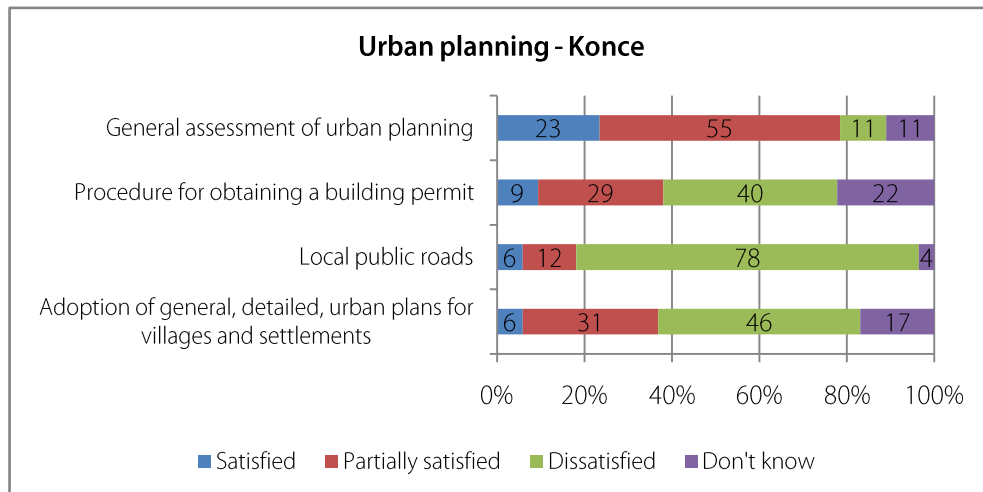
Chart 15:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

The quality of services in urban planning sector - local public roads is an issue that not only affects the quality of life in general, but also the development of the municipality and the local economic development. In Jegunovce, there is considerable high percentage 46% of respondents who said they were not satisfied with the issue of local public roads. In Konce, 78% of respondents are not satisfied, while in Cair and Krusevo the situation is slightly better, with 57% and 54% despondent people, respectively.

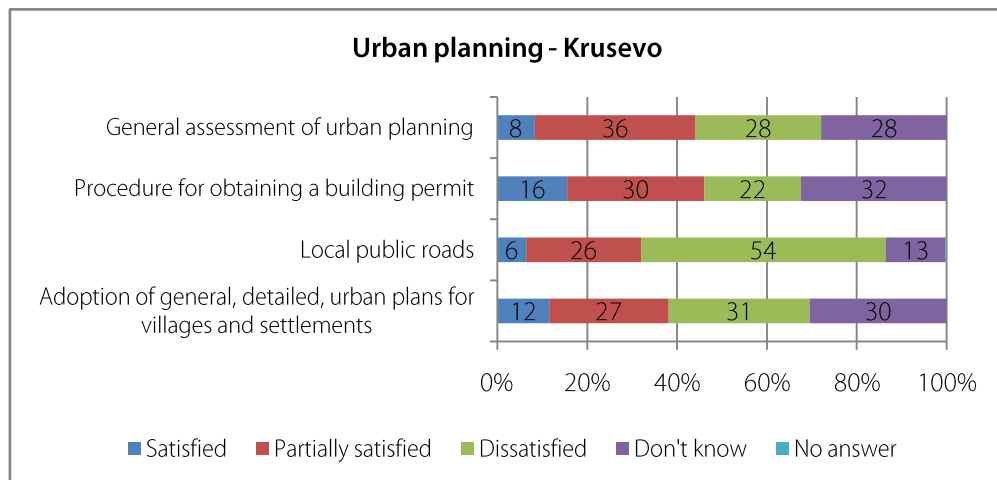
Chart 16:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

Attitudes about the procedure for obtaining building permits are moving in the same direction: 40% of respondents in Konce are dissatisfied, while 29% are partially satisfied. In Cair 34% are dissatisfied, while 33% are partially satisfied. In Jegunovce 22% were partially satisfied and 23% dissatisfied, while in Krusevo 30% were partially satisfied and dissatisfied.

Chart 17:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

Particularly relevant to the issue of planning and managing the municipal budget in terms of accumulation of own revenue is the perception of benefits associated with urban planning (communal service fees - the construction land fee), whereas an interesting fact is that 30% of respondents from Jegunovce have no opinion and 27% are not satisfied with the fees. The citizens of the Municipality of Krusevo consider communal service fees for urban planning are high and expressed dissatisfaction with 35%. In Konce and Cair majority of respondents are partially satisfied with 54% and 40%, respectively.

Moreover, an important indicator for budgeting and managing financial resources of the municipalities is the perception of the costs of urban planning where 40% of respondents in Jegunovce, 48% in Cair, 50% in Konce and 47% in Krusevo reflect that generally the costs for urban planning are quite high.

In terms of ethnicity, in Jegunovce associated with the satisfaction with services in the field of urban planning, ethnic Albanians respondents showed a significant percentage of dissatisfaction in all urban services and the procedure for obtaining a building permit than ethnic Macedonians (34% vs. 14%), and adoption of general, detailed urban plans with (38% vs. 24%).

The opinions in terms of urban planning in Cair are divided, where resentment of local roads is present in 64% of ethnic Albanians and 52% of ethnic Turks. Partial satisfaction is present in 60% of ethnic Roma. The procedure for issuing building permits is assessed negatively by 62% of ethnic Roma. Urban planning is generally assessed with partial satisfaction by 45% of ethnic Macedonians and 41% of ethnic Albanians. Dissatisfaction was highest with 62% of ethnic Roma, 45% of ethnic Vlachs and 41% of the ethnic Albanians.

From the generational perspective, the opinions do not deviate from those general. Opinions of young people aged 18-25 years are different for different issues. Regarding the first question, in Cair and in Krusevo the majority of youth has built their own position, which is specific, and in Jegunovce as well, but here the resentment of this generation is quite high. In Konce, partly satisfied young (52%) dominates. The dissatisfaction is a common feature for all municipalities in terms of local public roads. In terms of obtaining building permits, most young in Jegunovce are dissatisfied with 26%, while in Konce 48% of young people are satisfied in relation to this issue. The general picture of youth to urban planning in Cair is 41% partly satisfied and 30% dissatisfied people. In Krusevo 46% of youth had no opinion and 30% were partially satisfied. In Jegunovce 40% had no opinion and 30% are dissatisfied. In Konce, 57% of young respondents are partially satisfied, while 35% are dissatisfied.

If we synthesize the views of respondents from the four municipalities analyzed in relation to urban planning, the most common problem is the problem of local public roads, which in turn should guide the setting of this problem on the agendas of local authorities towards their better regulation in order to meet the needs of citizens which will lead to their better quality of life.

The Municipality of Cair and Krusevo general assessment of urban planning result in dominance of partially satisfied and dissatisfied respondents, which can be seen from the chart itself, while in Jegunovce there are 33% dissatisfied and 31% of satisfied respondents. In Konce, there are 55% partly satisfied and 23% satisfied respondents with urban planning in the municipality in general.

From the findings in all four municipalities, and after the discussion with the representatives of various stakeholders in the local community planning group the conclusion is that the common problem that is present in all four municipalities is the lack of funds for the preparation of urban plans. This situation has a direct impact on local economic development, and on the quality of life and the opportunities offered to the citizens, not only of economic, but also of social character.

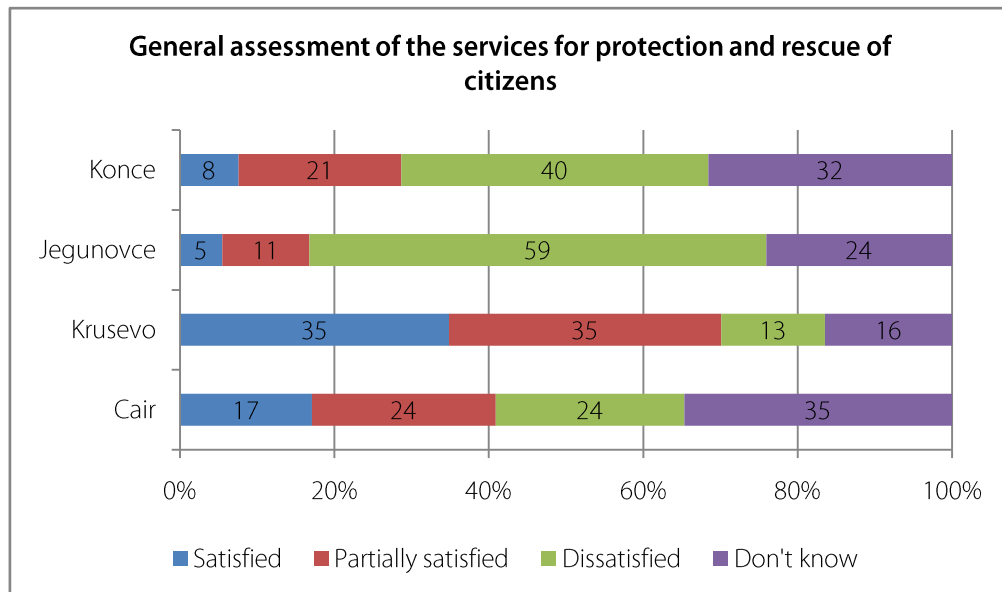
The satisfaction with municipal services in the area of protection and rescue of citizens and goods

Protection and rescue of citizens and goods is the responsibility¹⁷ of the municipal government. According the Law on Local Government (Article 22, paragraph 1,

¹⁷ The specified area is subject to regulation by the following laws: Law on Protection and Rescue ("Official Gazette of SRM" No. 36/04); Law storage and protection of flammable liquids and gases ("Official Gazette of SRM" No. 15/76, 51/88, 19/90 and "Official Gazette" No. 12/93) Law on Protection from Explosive Materials ("Official Gazette of SRM" No. 4/78, 10/78 Send., 51/88, 36 / 90 and "Official Gazette" No. 12/93) Law on Waters ("Official Gazette of RM" No. 4/98, 19/00 42/05) Act on Ionizing Radiation and Radiation Safety ("Official Gazette of RM "No. 48/02); fire fighting Law ("Official Gazette "No. 67/04)

item 10) they carry out preparations and take measures for protection and rescuing of citizens and material goods from war destruction, natural disasters and other accidents and the consequences caused by them.

Chart 18:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

The position of dissatisfaction of the citizens in this area in rural municipalities Jegunovce and Konce is significant as well, and there is a high percentage of satisfied in the municipality Krusevo and Cair. The reasons for discontent in rural areas probably lie in the distance of the territorial fire unit, and consequently, the matter of the duration of the intervention. In case of fire, the local public communal enterprise intervenes first. Territorial fire units exist in the City of Skopje and the Municipalities of Krusevo, Radovish and Tetovo. Municipality which, pursuant to the provisions of this law has not established a fire brigade participates in financing a fire brigade established in the municipality covering its area.

The satisfaction with municipal services in the field of environmental protection

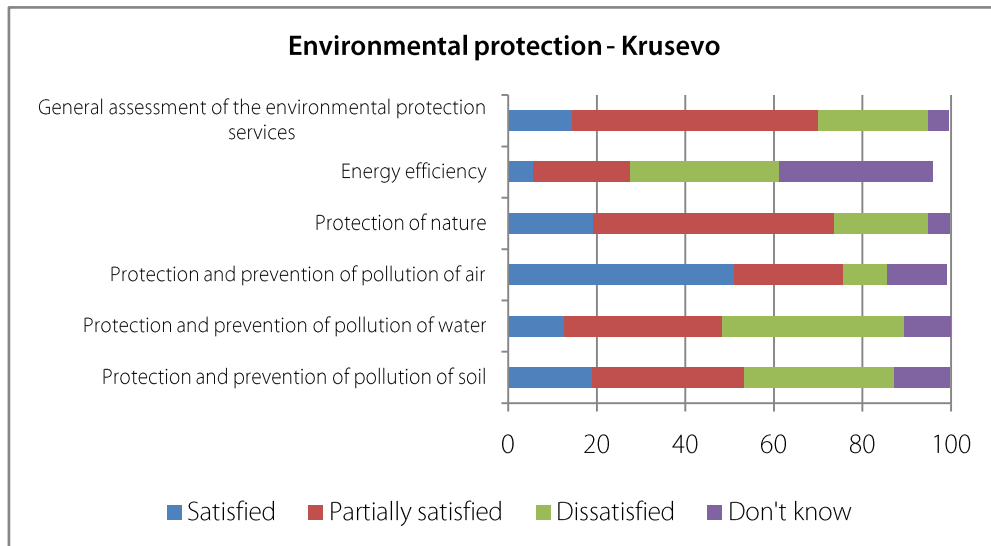
According to the Law on local government, the municipal government in terms of environmental protection and nature has authority¹⁸ in terms of taking measures for protection and prevention of pollution of water, air, land, nature protection, protection against noise and non-ionizing radiation; according to the principle of cooperation, the competent authorities of the state and local governments and other organizations and institutions in carrying out the activities under their jurisdiction shall act in accordance with the principles, objectives, measures and activities to protect nature and thus realize the full mutual and international cooperation.

In preparing the strategic development, planning and programming documents by the state government or municipal councils, municipal councils in the City of Skopje and the City Council, which could have significant effects on nature, it is necessary to assess impact of measures and activities, provided with these strategies, plans or programs might have on nature.

The following services related to the environmental protection are those to which the respondents declare their opinion. According to some, in the Municipality of Krusevo environment offers quality that people desire and therefore positive responses and answers for partial satisfaction of protecting the environment by 73% dominate. Concerning the energy efficiency component of the municipality, the percentage of satisfaction is significantly lower, and a very large percentage of respondents 35% have no opinion on this area.

¹⁸ The specified area is subject to regulation by the following laws: Law on Environment ("Official Gazette" No. 53/05 81/05) Law on Nature Protection ("Official Gazette" No. 67/04); Law the quality of ambient air ("Official Gazette" No. 67/04); Protection Act of smoking ("Official Gazette" No. 36/95, 70/03 29/04 37/05) Act declaring the forest areas around Mavrovo Lake National Park ("Official Gazette" No. 10/49, 23/52, 16/65) Protection Act for Ohrid, Prespa and Dojran Lake ("Official Gazette" No. 45 / 77 08/80 51/88, 10/90, 62/93) *; Law on Prevention of noise ("Official Gazette" No. 21/84, 10/90, 62/93) Act protection of air pollution: except for the provisions of Article 4, paragraphs 1, 2, 3, 4, 5 and 6 ("Official Gazette" No. 20/74, 06/81 10/90, 62/93) Act protection against ionizing radiation and radiation safety ("Official Gazette" No. 48/02) Act bodies and institutions for carrying out protection from ionizing radiation ("Official Gazette of SRM" No. 09/67) Act Proclamation the ornithological locality "Tikves" in the Crna reka region, the strict natural reserve ("Official Gazette" No. 35/97) Act declaring the forest regions of Galicica National Park ("Official Gazette" No. 31 / 58, 16/65) Act declaring the forest regions of Mount Pelister National Park ("Official Gazette" No. 38/48, 16/65) Act declaring the ornithological locality "Ezerani" Prespa Lake the strict nature reserve ("Official Gazette" No. 37/96) Act to perform Hydro ("Official Gazette" No. 19/92, 05/03).

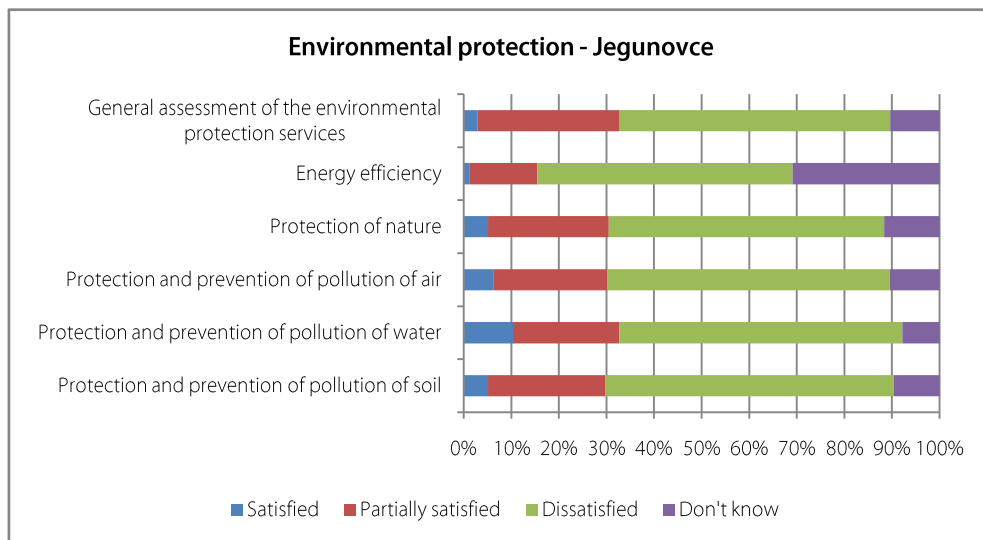
Chart 19:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

In Jegunovce the dissatisfaction of respondents with an average of 59% is evident. Many respondents said that forest protection should be a priority of the municipal authorities.

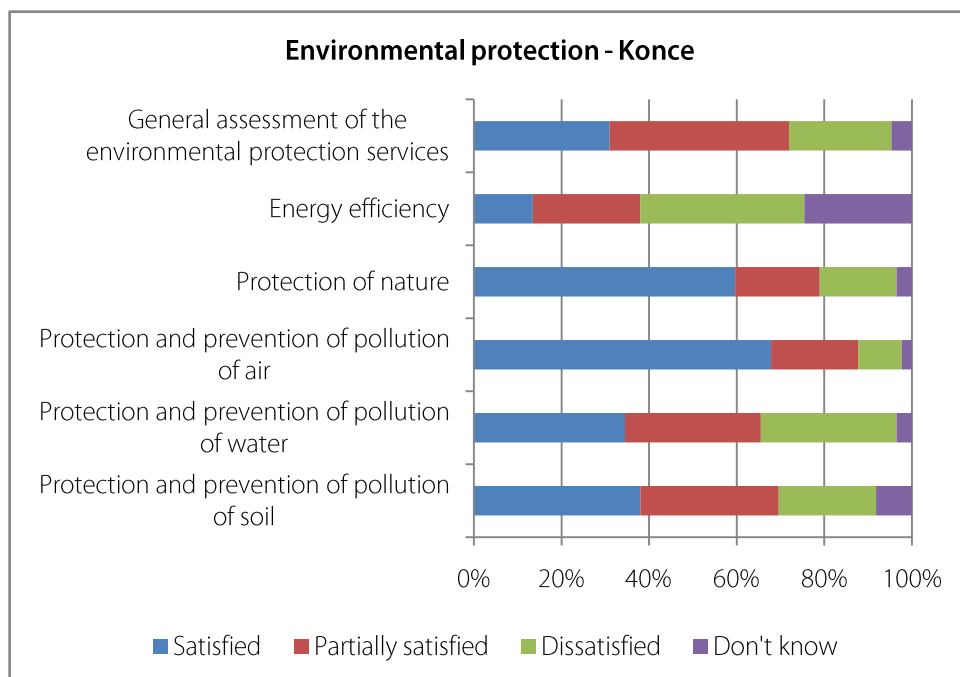
Chart 20:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

As in Krushevo, the environment in Konce offers the quality that people desire and therefore the positive responses and answers for partial satisfaction of environmental protection dominate. The only area in which there is a prominent lower percentage of satisfaction is the energy efficiency in the municipality, although the municipality has the authority to implement it. In all other areas the municipal government offers quality services to protect air, water and soil.

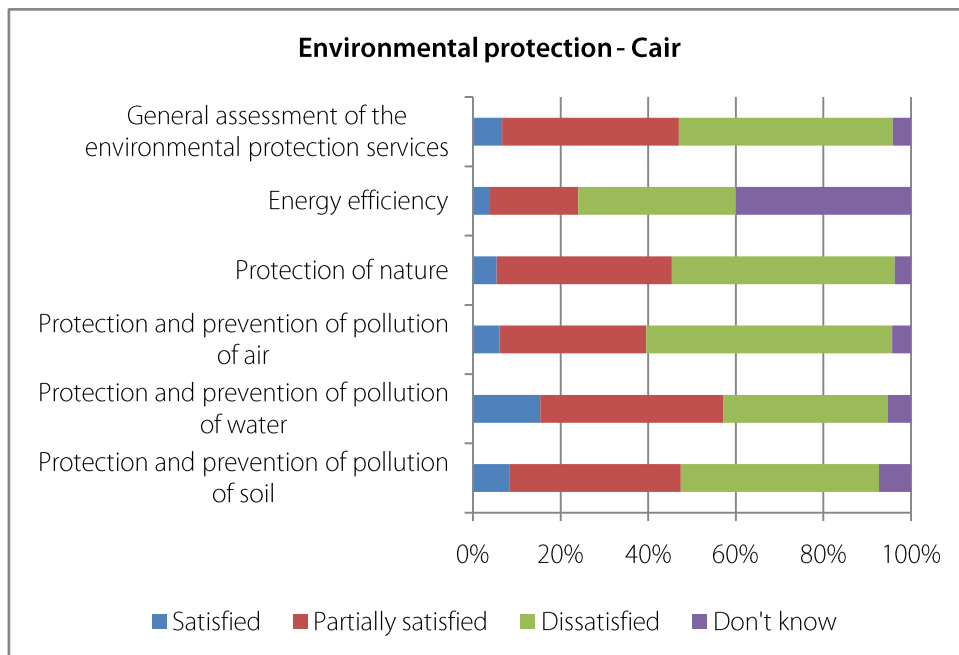
Chart 21:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

In Cair environment does not offer the quality that people desire and therefore the negative responses and answers for partial satisfaction of environmental protection dominate. Some significant deviations from the general opinion alienated along ethnic communities in Cair does not exist, just concerning the opinions of ethnic Serbs where the level of satisfaction regarding several issues is higher than that of other ethnic communities. Seen from the perspective of gender, difference exists only in relation to the issue of water pollution, where 44.7% of women are partially satisfied and 40% of men are dissatisfied. Regarding other issues, there is a difference in opinion.

Chart 22:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

Analysis of data by ethnic origin in all municipalities except in Krusevo do not deviate significantly from the group answers. Interestingly, the analysis is the opinion of people in Krusevo on issues relating to protection and prevention of pollution of soil and water, where most of the ethnic Macedonians are partially satisfied, while dissatisfaction is dominated by ethnic Albanians. In terms of services for environmental protection, the dissatisfaction of ethnic Albanians is 43%, despite the discontent among the ethnic Macedonians of 20%. Satisfaction of the ethnic Turks on this matter is 78%. Regarding other issues, there are some notable exceptions among the various ethnic communities of the general conclusions.

Young people aged 18-25 years in Cair are largely partially satisfied and unsatisfied in respect of issues concerning the environment. In Jegunovce, over 50% to 60% of young people are despondent about this issue. In Krusevo, 54% of young people are satisfied with the quality of air, but on the other hand, the same percentage of respondents is satisfied with the protection of the soil. Partial satisfaction is present in relation to questions about services related to environmental protection and nature conservation. In Konce, in over 70% of the answers, young people are satisfied with air quality and environmental protection. Greatest dissatisfaction among young in Konce with 48% is in the area of energy efficiency.

If we summarize the opinions of the respondents in various municipalities in terms of issues of environmental protection, the greatest satisfaction of 60% is present in Konce in terms of air quality and environmental protection, whereas in Krusevo 51% of respondents are satisfied with the quality of the air. On the other hand, Krusevo has the most dissatisfied people regarding the services related to environmental protection and nature conservation. In Jegunovce the dissatisfaction with an average of 60% is typical on all environmental issues. The respondents in Cair are satisfied with the quality of air and environmental protection. Typical for all municipalities is that respondents to a greater or lesser extent do not state any opinion about the energy efficiency in their municipality. Additionally, although rural municipalities in their programs and strategies rely on rural development, in discussions with members of working groups in local communities with representatives from various interested parties a conclusion is that there is an insufficient knowledge of regulations relating to protection of nature and the possibilities provided by law regarding of categorization of protected areas and payments of eco-system services. Related to the municipalities, such as Konce and Krusevo, particularly interesting are the lower categories of protection (e.g. the specific landscape); those allow economic activities to a greater extent.

In this relation, it was determined that there is insufficient knowledge of rural development policy and opportunities by local actors in rural municipalities to develop and to apply strategies with agro-environmental measures that would be funded by the state and by the 5th component of IPA.

Next general conclusion is that especially with regard to waste water treatment facilities there is a lack in the financial amount, and those in most part should be provided by relevant state administrative bodies due to the high cost of investment and maintenance.

The satisfaction with municipal services in the area of social care and child protection

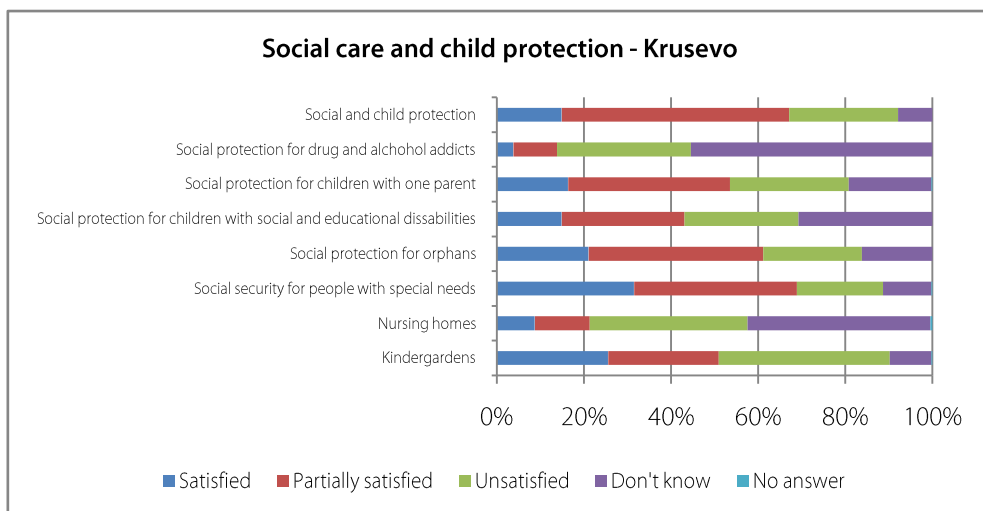
The social care and child protection in each municipality is particularly important for increasing the degree of involvement of vulnerable groups in social processes. According to the Law on Local Government (Article 22, paragraph 1, item 7), the municipal governments have responsibilities¹⁹ to carry out social care and protection of children - kindergartens and homes for the elderly (ownership, financing, investment and maintenance); provision of social care for persons with special needs, children without

¹⁹ *The specified area is subject to regulation by the following laws: Law on Social Protection ("Official Gazette" No. 50/97 16/00 17/03 65/04 62/05) Law on Protection of Children ("Official Gazette of RM "No. 98/00 17/03, 65/04) family Law (" Official Gazette "No. 80/92, 9/96) Law on Primary education (" Official Gazette "number 44/95, 24/96, 34/96, 35/97, 82/99 29/02, 52/02 - consolidated text, 40/03 42/03, 63/04 55/05 and 81/05); Act civilian invalids of war ("Official Gazette of SRM" No. 33/76, 25/79, 11/81, 4/85, 12/89, 37/89 - revised text, 17/91, 38 / 91 and "Official Gazette" No. 81/99).*

parental care, children with educational and social problems, children with special needs, children from single parent families, street children, those exposed to social risk, persons affected by drugs and alcohol, raising awareness of population, housing for persons with social risk, achieving the right and education of preschool children. The exercise of these powers is in accordance with the National program for development of social protection. The findings from the four pilot communities show a degree of dissatisfaction regarding the performance of responsibilities in this area. Results per municipality are given below.

In the Municipality of Krusevo, most respondents are satisfied or partially satisfied (66%) of social services and child protection. Users of allowance for: social assistance for people capable of work, materially unsecured are 390 families; users for caretaking from another person, incapable of independent living are 421 families; users of ongoing financial support for persons unable to work financially insecure families are 45; child protection: special allowance for persons with disabilities is taken by 53 families; supplement is taken by 44 families; compensation for the third child is taken by 69 families, day care centre for children with special needs is attended by 9 children, day care centre for elderly people in the village Buchin is visited by 40 people, 65 people eat their meals in public canteens, 5 people are accommodated in institutions for social protection, in another family are situated 2 adults and 2 children. If we analyze through the variable ethnicity, 22% of ethnic Macedonian respondents are not satisfied, while the percentage of ethnic Albanian dissatisfied respondents reaches 38%. In the Municipality of Krusevo there is a kindergarten and 50% of the respondents are satisfied with the service for this segment of the population. Municipality of Krusevo does not realize social care for persons addicted to drugs and alcohol, abandoned children, children with special needs, children with educational and social problems and children without parental care.

Chart 23:

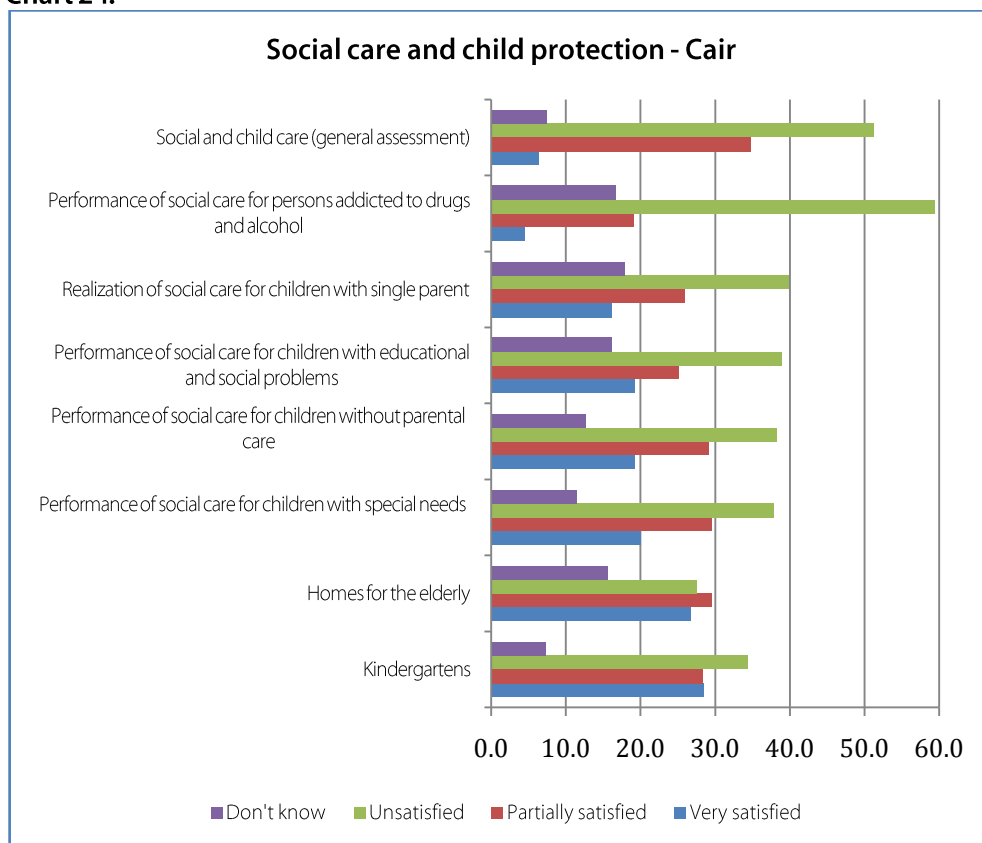


Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

The structure of social and child protection within the Municipality of Cair at the end of April, 2012 is as follows: 2,400 people receive social assistance, 500 people use a constant financial aid, 900 people use allowance for care of 3rd person, 250 use child allowances, 600 use parental allowances, 300 people use child benefit, about 500 people take conditioned allowance for students. The activities in this area organized by the Municipality of Cair are mainly oriented to kindergartens and nursing homes, and raising awareness. The municipal administration cooperates with NGOs for people with special needs that financially support it regarding the implementation of various projects.

The social and child protection in the Municipality of Cair faces a difficult process that can be perceived by the dominance of dissatisfied respondents although the relatively large percentage of responses in the category of partially content. The highest scores in terms of satisfied respondents are in the area of kindergartens and nursing homes. The highest level of dissatisfaction found in the area of social care for persons addicted to drugs and alcohol. The overall general assessment of social and child care is 51% of dissatisfied respondents and 35% partially satisfied respondents.

Chart 24:



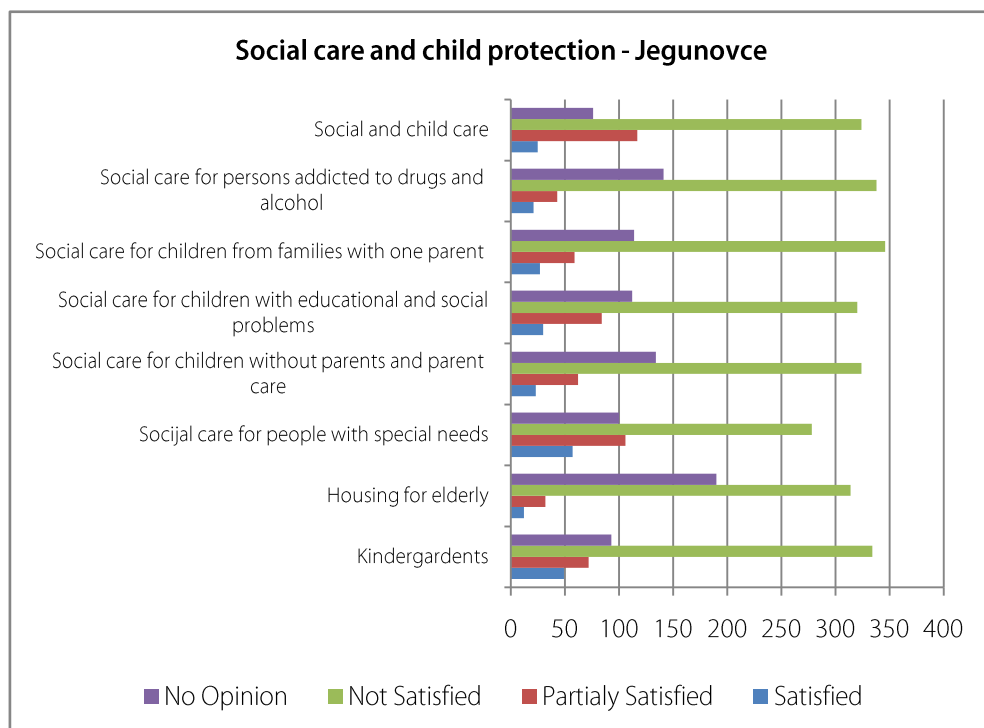
Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

The services in the field of social and child protection in the Municipality of Jegunovce are rated with high percentage of dissatisfaction, with an average of 60% of the respondents. The same trend is evident among age groups. As for male respondents compared to female, they are slightly less satisfied with the services in the field of social care and child protection. In the same line are the answers to other vulnerable population groups, such as dissatisfaction with the performance of social care for children with special needs (51%); of performing social care for children without parental care (59%); as well as performing social care for children with educational and social problems (58%); the performance of social care for children from families with one parent (63%); and performing social care for persons addicted to drugs and alcohol (61%).

Male and female respondents showed identical position with almost the same percentage of dissatisfaction over 60% of issues of social and child protection and treatment of vulnerable groups. There is a significant percentage (68%) of dissatisfaction among male respondents in terms of social care for children from families with a parent.

In terms of social protection, the age group of 26-33 years expressed 68% and the age group above 50 years, 64% dissatisfaction. No daily care centre for elderly or centre for temporary accommodation of persons with special needs exist.

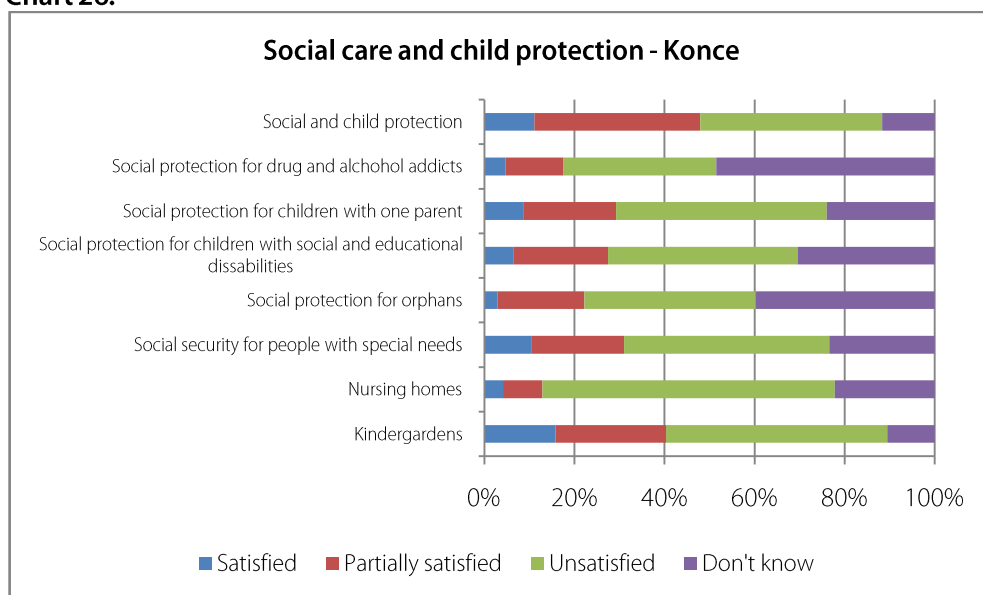
Chart 25:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

The Municipality of Konce services that go towards the treatment of vulnerable groups, as stated above, mostly caused dissatisfaction among the respondents (the general assessment is dissatisfaction in 40% of respondents). Nursing home does not exist, and there is only one kindergarten, which is the result of a project implemented by UNICEF, which is rated as very effective. In this regard, the municipal authorities do not endeavor to direct its activities towards opening facility for early childhood education. In the same line are the answers to other vulnerable population groups, such as dissatisfaction with the performance of social care for people and children with special needs (46%); the performance of social care for children without parental care (38%), as well as performing social care for children with educational and social problems (42%), performing social care for children from families with one parent (47%), and performing social care for persons addicted to drugs and alcohol (34%). The most vulnerable group in terms of social protection are the elderly who are financially insecure and unable to work, and because owning a property, have no right to use welfare. No daily care centre for elderly or centre for temporary accommodation of persons with special needs exist. The responsibilities in this area are implemented by the Department for Legal and General Affairs, and the Social Work Centre of the Municipality of Radovish is competent. There is no social worker, but there is a responsible person to work in the field of social protection. Despite the unsatisfactory results, the local government allocates a significant portion of the budget for social assistance. Welfare recipients are 23 households (financial aid), and continuous assistance recipients are 17 households, nearly all acquired this right based on the age or a disease. Families that are beneficiaries of such assistance are mostly of Turkish ethnicity. On average, 20 customers get a one-time financial aid annually.

Chart 26:

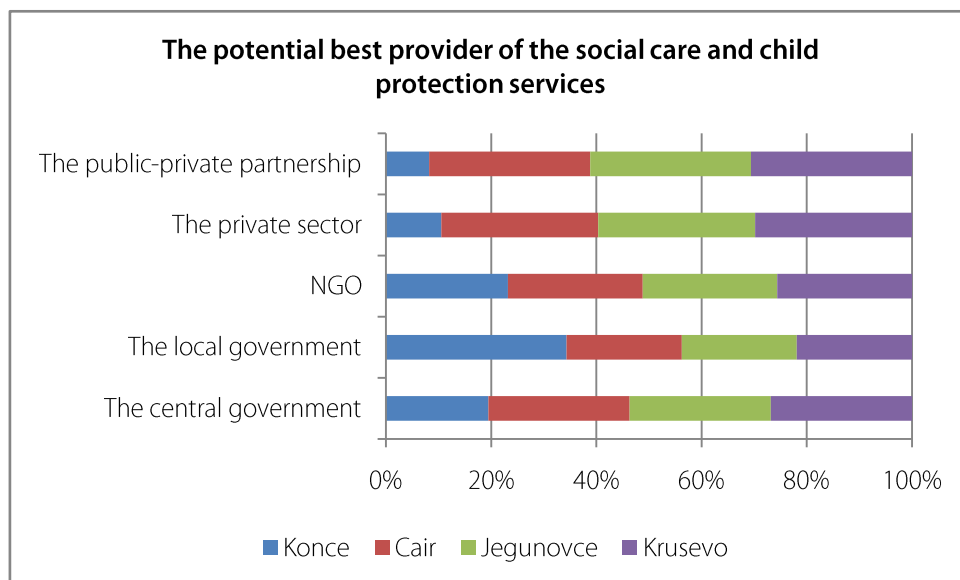


Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

The general conclusion from the comparative analysis that derives from individual observations from all four municipalities is that social care and child protection in municipalities are faced with a high degree of dissatisfaction, problems that can reveal by the dominance of dissatisfied respondents, although relatively large percentage of the respondents who are not expressing an opinion on this issue. Based on the fact that the large number of respondents did not answer the questions related to the treatment of vulnerable population groups in their communities, it is on institutional and non-institutional actors to increase their shares in order to raise the awareness of citizens regarding the presence of vulnerability to certain individuals and population groups in terms of proper treatment, which will allow better living conditions for these categories of citizens.

As stated in the introductory part, the findings from the four pilot municipalities show a degree of dissatisfaction regarding the performance of responsibilities in this area. Given this, and the answers of respondents, with the majority in all four municipalities reporting that local authorities would be most adequate supplier of services in this area, it is necessary to think in terms of devolution of powers in this area, although competent Ministry has developed a strategy for deinstitutionalization. However, it is necessary to make a more detailed analysis to make specific actions in this direction. It is worthwhile to note that respondents did not express confidence in the private sector, the NGO sector and the public-private partnerships as alternative suppliers of such services.

Chart 27:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

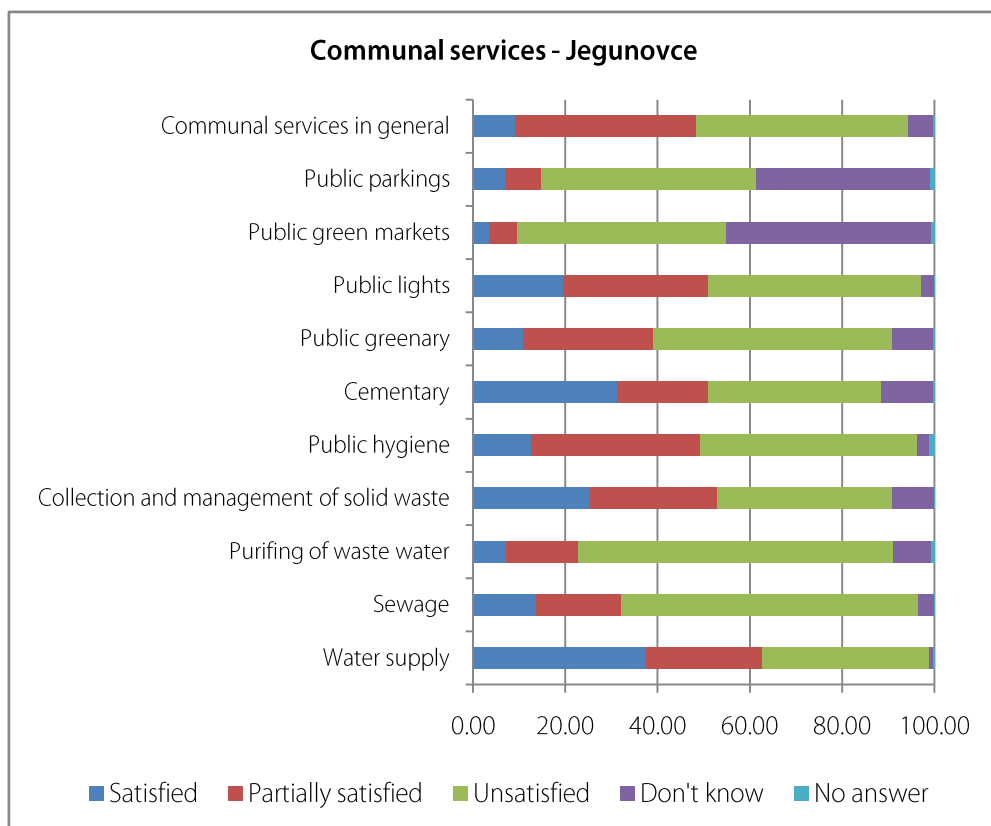
The satisfaction with municipal services in the area of communal services

The communal services – pure drinkable water supply, supplies of industrial water, sewage and waste water treatment, public lighting, drainage and treatment of storm water, maintenance of public hygiene, collection, transportation and handling of municipal solid and industrial waste, regulation and organization of local public transport of passengers, supplies of natural gas and thermal energy; maintenance of graves, cemeteries, crematoria and providing funeral services, construction, maintenance, restoration and protection of local roads, streets and other infrastructure facilities, regulation of traffic regime; construction and maintenance of street traffic signs, construction and maintenance of public parking, removal of illegally parked vehicles, removal of damaged vehicles from public land, construction and maintenance markets, cleaning of chimneys, maintenance and use of parks, green spaces, parks and forests and recreational areas, regulation, maintenance and use of river basins in urbanized areas, determining the names of streets, squares, bridges and other infrastructure facilities are governed by Article 22, paragraph 1, item 4 of the Law on Local Government.²⁰

In terms of communal services dissatisfaction of respondents dominates. The Municipality of Jegunovce percentages in male and female respondents are almost identical. Respondents showed great dissatisfaction in services for wastewater treatment, maintenance of sewer and public greenery. Satisfaction among respondents increases in public service and supply of clean water. On the question of assessment of satisfaction with public services, generally over 50% of respondents declared themselves satisfied and partially satisfied.

²⁰ *The stressed activities are subject to the following laws: Law on the supply of drinking water and disposal of urban waste waters ("Official Gazette" No. 68/04) Law on Waste Management ("Official Gazette" No. 68 / 04); Law on Road Traffic ("Official Gazette" No. 68/04), Law on Public Roads ("Official Gazette" No. 26/96, 40/99 96/00 29/02 68/04 51/05 - Law on Urban Planning, 86/05- Constitutional Court) Act to determine the names of streets, squares, bridges and other infrastructure facilities ("Official Gazette" No. 66 / 04), Law on safety of road traffic ("Official Gazette" No. 14/98, 01/02 decision of the Constitutional Court, 38/02, 38/04) Public Utilities Act ("Official Gazette" number 45/97, 5/99 Decision of the Constitutional Court, 23/99, 45/02 16/04) law to maintain public hygiene, collection and transportation of municipal solid and industrial waste ("Official Gazette" No. 37/98), except the provisions of Articles 9,10,11,12,13,14,15, 16 and 19, paragraphs 2, 3, 4, Articles 20, 21 paragraph 1 items 3, 4 and 5 and Article 22 paragraph 1 lines 2, 3 and 4, which repealed the date of commencement of application of the Waste Management ("Official Gazette" No. 68/04) Energy Law ("Official Gazette" No. 47/97 , 40/99, 98/00 94/02, 38/03 40/05) Cemetery Act ("Official Gazette of SRM" No. 18/73) Law for marking, landscaping and maintenance of cemeteries and graves of veterans buried in the Republic of Macedonia and abroad, and members of foreign armies from past wars in the Republic of Macedonia ("Official Gazette" No. 13/96) Law editing and maintenance of green areas ("Official Gazette of SRM "No. 45/68, 04/70).*

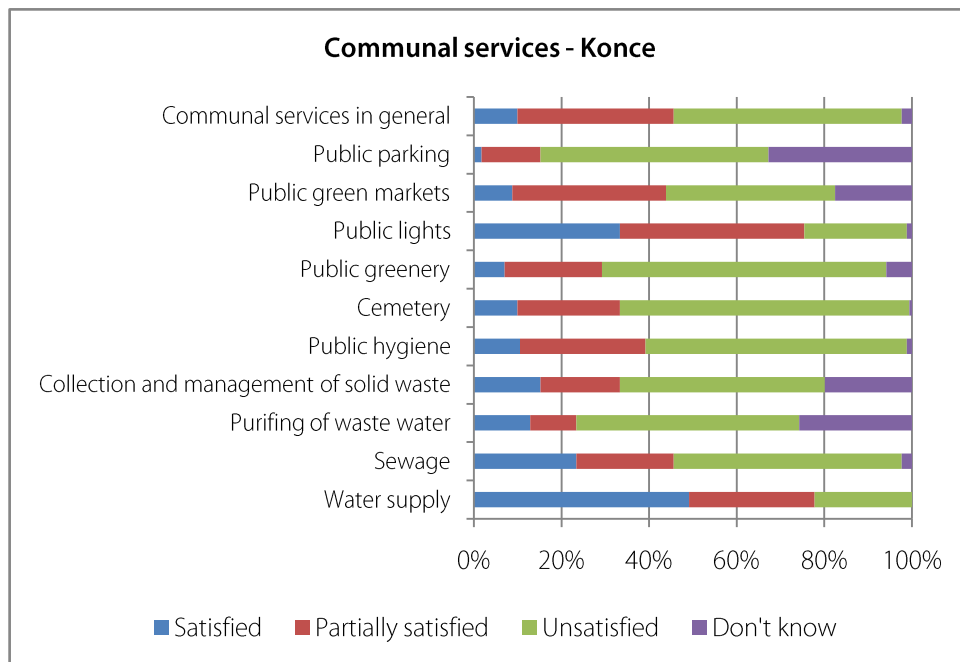
Chart 28:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

What is important to investigate in this area is whether there are variations caused by differences in ethnicity of respondents. The results show that the dissatisfaction of ethnic Albanians respondents is significantly higher compared with ethnic Macedonians about these issues, 61% vs. 17% for water supply, 69% vs. 12% for maintenance of cemeteries, 67% vs. 25% for public markets, 70% vs. 27% public parking lots. Regarding the other issues where the difference is more moderate, but remains twice the fellow citizens ethnic Macedonians. Given this, the local authority should take action to improve these services by identifying settlements with majority ethnic Albanian population.

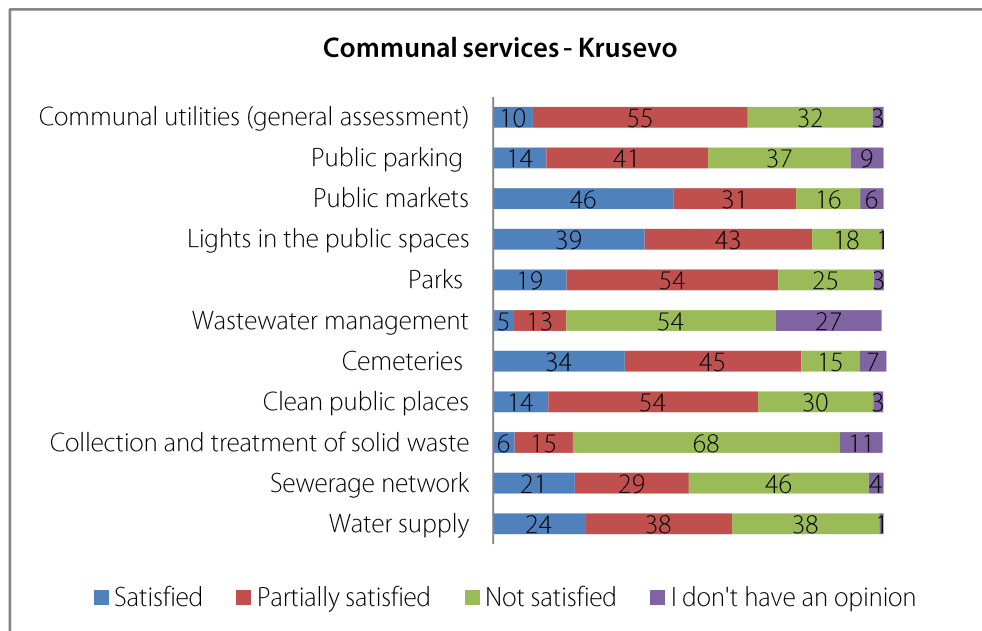
Chart 29:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

In terms of communal services in the Municipality of Konce, the contentment of water supply (49%) and high rate of satisfaction and partial satisfaction of the public lighting (75%) dominate, while in all other services discontent prevails. High degree of dissatisfaction occurs in services related to public hygiene, public greenery, and purification of waste waters, cemeteries and sewage network. General assessment of communal services of the respondents shows that there are partly satisfied (36%) and dissatisfied (52%). Public communal services supply water to all towns and perform waste management only in three settlements, but payment for services is very low. Based on the results we can conclude that there is a room for improvement of public services in the municipality. Most citizens expressed satisfaction regarding the management of public markets, cemeteries and public lighting, and lowest in the management of sewage and solid waste collection.

Chart 30:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

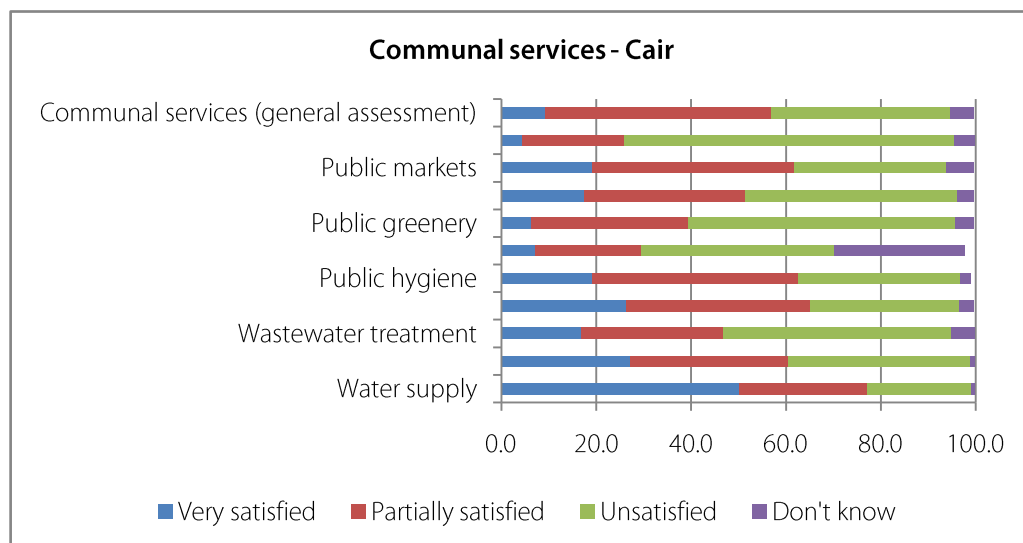
The representatives of the Municipality of Krusevo briefed local planning group that have recently purchased a new vehicle specifically for waste collection which is expected to improve the appropriate service, particularly in winter service, and given the difficult access to housing. Regarding the water supply at the time when the questionnaire was filled, there were restrictions due to difficulties in the operation of water supply system "Studencica." There is an assumption that they have affected the perception of citizens about this service. The authorities will begin capturing new sources of drinking water because it already has secured four millions of denars for that purpose and expected the request to be approved to allocate additional 14 millions of denars, which investment would significantly improve water supply in the municipality.

Although the Municipality of Cair attributed its criticism regarding the communal services, at this stage of decentralization it is responsible only for public greenery and public lighting. Other services are offered by the City of Skopje. The municipal authority has the right of intervention by providing information to public enterprises for the citizens and the places where there is a necessary field work. In terms of street lighting, it will give a concession for 10 years of private foreign company which will manage the communal service. In this direction the infrastructure of public lighting will be expanded and the bulbs will be replaced and thus reduce the power consumption and simultaneously improve the quality of service.

In terms of communal services the satisfaction of water supply dominates, while in all the other discontent or partial satisfaction is prevailing. High degree of dissatisfaction of 70% is present in terms of public parking in the Municipality of Cair. Due to the limitations of free land, the authorities plan to build an underground garage in the square Skander Beg and future planned construction of a multi-storey garage in the building Cairchanka. Planned are a few assembled garages in different locations in the municipality. Public greenery, waste water treatment, public lighting and cemetery, are also assessed with a higher degree of dissatisfaction. Partial satisfaction dominates in public hygiene, public markets and collecting and treating solid waste. General assessment of respondents of Cair shows that they are partly satisfied (48%) and dissatisfied (38%) of the communal services in the municipality.

Water supply in the Municipality of Cair is a problem and creates dissatisfaction among 69% of ethnic Roma. From sewer 80% of ethnic Serbs are satisfied, while 77% of ethnic Roma are unhappy about this communal service, which is a contradiction. They express a high degree of satisfaction (62%) of collecting and treating solid waste, and public hygiene. The organization of the cemetery is a problem for 40% of ethnic Macedonians, 41% of ethnic Albanians and 54% of ethnic Roma. Public foliage and lighting is rated to about 40% dissatisfaction among all ethnic communities except for 80% of ethnic Serbs, partly satisfied with them. Very high consensus of dissatisfied respondents, ranging from under 63% of ethnic Macedonians and 80% of ethnic Serbs is achieved in relation to the issue of public parks.

Chart 31:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

As demonstrated in the findings above, where respondents identified the areas with greatest problems, and as confirmed by these findings, in public services in all four municipalities in the area, priority actions by municipalities should be taken.

What can be summarized by the comparative analysis is that in water supply, public markets, public lighting, cemeteries and public hygiene in all four municipalities partial satisfaction or complete satisfaction dominated, as opposed to services in the field of public parks, waste water treatment, collection and treatment of solid waste and public greenery, where there is dissatisfaction. Regarding the work of public enterprises in the area of communal services, one can highlight their sound functioning in Konce and Krusevo, to be used as good practice in other municipalities.

What is of particular importance is the low level of outsourcing of communal services present in four municipalities, which should be considered as a practice that should apply for a high quality service delivery.

The specific role of local communities in rural municipalities should be emphasized as a factor in the delivery of public services (collect funds for maintenance of water supply systems and cemetery, and in many cases solve problems associated with waste collection and maintenance of roads in winter conditions) without having institutional status / or status of legal entities. A separate analysis is needed to see whether providing this status would enhance the quality of local communal services.

The satisfaction with municipal services in the area of sport and recreation

Article 22, paragraph 1, item 6 of the Law on Local Government as competencies in sports and recreation lists: the development of mass sports and recreational activities, organization of sport events and maintenance and construction of sports facilities. In this respect the competences in sport include: development of mass sports and recreational activities of citizens included in the programs of sports and sports and recreational clubs in the implementation of the school system and student sport, sport for all, especially sports and recreational activities for persons with special needs - the organization of sport events, supporting a system of competitions at the municipal level, in certain sports and categories, supporting traditional sports competitions and events, from national and international character, supporting the school system and student competitions, the system manifestations and forms of competitions for individuals with special needs, as well as mass sports and recreational activities of citizens. Municipalities also have jurisdiction in maintenance and construction of sports facilities, determining the network of sports facilities, their classification, maintenance, use and equipment, planning and construction of modern sports facilities and determination of recreational zones of mass sports and - supporting municipal unions, as the highest form of organization, expressed in the sublimation of the activities and needs of sports clubs in the municipality providing spatial, material and personnel conditions for their functioning. With this study, knowledge about the perception of citizens and municipal administrations in Cair,

Krusevo, Jegunovce and Konce was derived for execution of responsibilities in sport and recreation.

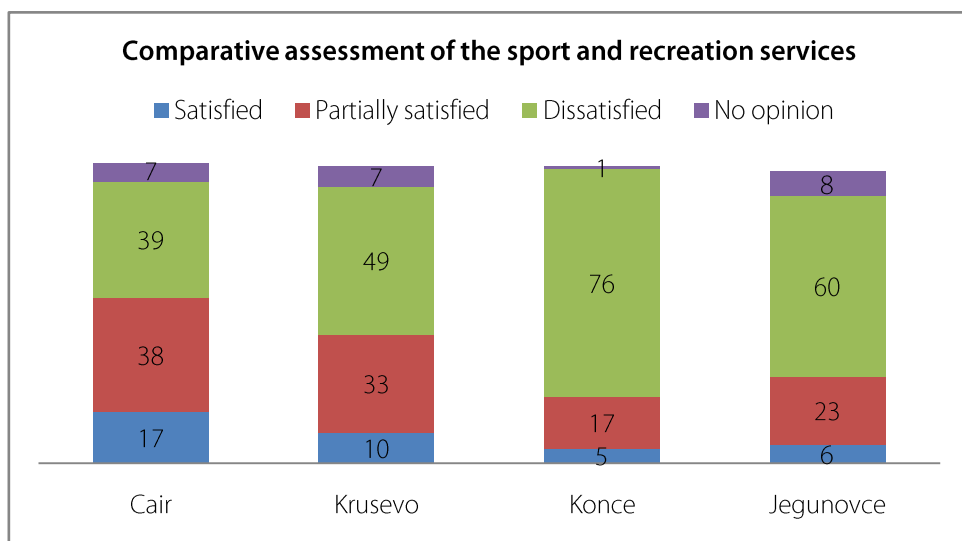
The results of the survey for the satisfaction of services in sport and recreation lead to obvious conclusion that Cair should independently undertakes measures in cooperation with the central government and the private sector (Public Private Partnership) to improve the situation in this sphere. It should be noted that dissatisfaction in this area in the Municipality of Cair is lower compared with other municipalities integrated in this study. Namely, 63% of respondents are satisfied or partially satisfied with the services in sport and recreation. In specific categories in sport and recreation it can be concluded that the citizens of Cair are satisfied. In this regard, 58% of respondents are satisfied or partially satisfied with the construction and maintenance of sports facilities, half of respondents are satisfied with the support of sports associations, and even 65% are satisfied with the implementation of sports activities. These results show that citizens of Cair are satisfied with the services in sport and recreation compared to other municipalities.

The satisfaction with services in the field of sport and recreation in Jegunovce is not on pleasing level. Only 60% of respondents are satisfied with sports and recreation services in general. In all categories, respondents expressed strong dissatisfaction with the services in this area, the general assessment shows 60% dissatisfied female respondents and 70% dissatisfied male respondents. Male respondents are very dissatisfied and support sporting associations in the municipality (76%). The highest satisfaction (16%) is expressed in the implementation of sports and recreational activities for citizens. Citizens are not satisfied with the construction and maintenance of sports facilities, namely, even with 66% of municipal activities in this area. These results signal an alarming need for action to improve services in this area by the municipality authorities in order to provide appropriate conditions for the smooth execution of sports and recreational activities of citizens.

It might be concluded that citizens in Krusevo expect more in this area. Only 44% of citizens are not satisfied with this service. An interesting fact is that female respondents showed less dissatisfaction comparatively with men (33% vs. 59%). In terms of age, with young people from 15-33 discontent reaches 56%, indicating that the category which may have the greatest need for such infrastructure is not at all satisfied with the current. From specific areas, the greatest satisfaction is expressed in the construction and maintenance of sports facilities where about half of respondents are satisfied or partially satisfied with the activities in this sphere. These results signal an alarming need for action to improve services in this area by the municipal authorities in order to provide appropriate conditions for the smooth execution of sports and recreational activities of citizens. Public-private partnerships are a good tool for improving the sports infrastructure. The representatives of the municipality informed the local planning group that the Agency for Youth and Sports plans to build multifunctional sports hall and swimming pool as capital facilities that will contribute to the rapid development of sport and recreation in the municipality of Krusevo.

The satisfaction with services in the field of sport and recreation in the Municipality of Konce is not satisfactory. Even 76% of the citizens are not satisfied with the services in sport and recreation in general. A similar percentage of discontent the citizens of the municipality expressed in specific categories: construction and maintenance of sports facilities with 76% dissatisfaction, support of sports associated with 75% dissatisfaction, conducting sports activities with 65% dissatisfaction in all categories, respondents expressed strong dissatisfaction with the services in this area, the general assessment shows 71% dissatisfied female respondents and 80% dissatisfied male respondents. Male respondents are very dissatisfied with the support of sport associations in the municipality (84%). The highest satisfaction (9%) is expressed in the implementation of sports and recreational activities for citizens. These results signal an alarming need for action to improve services in this area by the municipality authorities in order to provide appropriate conditions for the smooth execution of sports and recreational activities of citizens. Municipal authorities emphasize the need to build a sports hall.

Chart 32:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

The comparative survey results show that there is dissatisfaction among the citizens in an area of sports and recreation. Dissatisfaction was higher among rural municipalities Konce (76%) and Jegunovce (60%). It indicates that bad or non-existent infrastructure in sport results in negative perceptions of citizens with services in the area of sports and recreation. Especially worrying is the perception of young people from 18-33 years of age who show great dissatisfaction in this area.

The satisfaction with municipal services in the area of culture

Article 22, paragraph 1, item 5 of the Law on Local Government identifies the following responsibilities of local government in the area of culture: institutional and financial support to cultural institutions and projects, preserving folklore, customs, old crafts and similar cultural values, organizing cultural events, encouraging various specific forms of work.

The culture as a specific segment that depends on the infrastructure as the area is evaluated by citizens of municipalities that differ by demographic attributes, but also on the infrastructure of which the quality of services in this area undoubtedly depends. This disparity between municipalities affects the perception of citizens in this area.

In this regard, approximately 55% of respondents in Cair are satisfied or partially satisfied with the services in this field. Interesting is the fact that in all subcategories in this area a large percentage of citizens of the Municipality of Cair have no opinion, which may indicate that the citizens of the Municipality of Cair have no information about municipal responsibilities in the area of culture. The analysis based on ethnicity result in a perception of citizens that does not differ a lot. The discontent among ethnic Macedonians is 29%, while among ethnic Albanians is 35%.

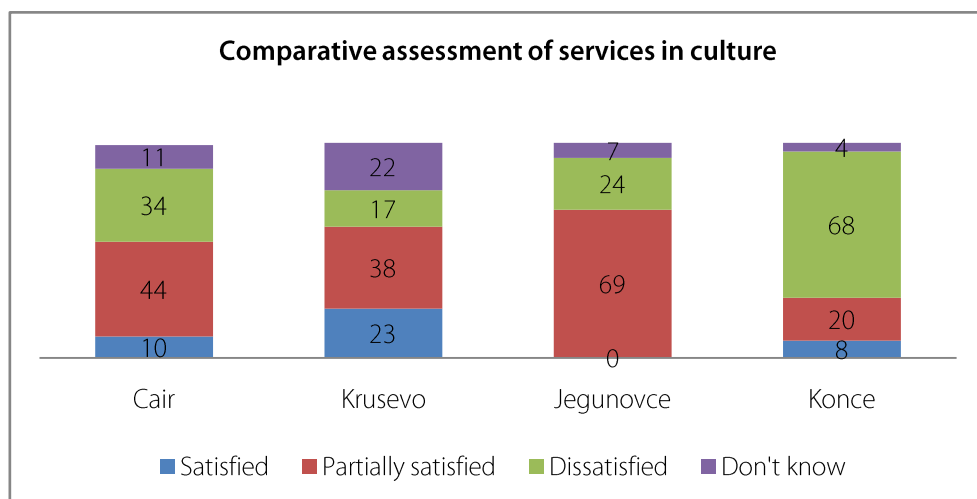
Results in Krusevo do not differ much from other municipalities. What is specific to Krusevo is the difference in perception between different ethnic communities about the quality of services in the area of culture. Notably, 78% of ethnic Macedonians are satisfied or partially satisfied, while the percentage of satisfied or partially satisfied among ethnic Albanians is only 16%. Given this, the local authority must undertake measures in order to support this ethnic group in fostering their culture and tradition. Regarding the distribution of responses divided by age of respondents, there are no differences worth mentioning. Dissatisfaction of the part of the ethnic Albanian community in respect of services in the field of culture is located in the lack of infrastructure in villages, but generally there is no problem with the urban plan documentation for them. The points to problems are associated with exhaustion of the possibility of legalization of informal constructions, motivated by the need to avoid taxation on the basis of real estate.

Almost 52% of respondents in Jegunovce are generally dissatisfied with the services in this area of the municipal authority's competences. Under all categories responses of dissatisfaction dominate, and the highest level refers to the delivery of services from cultural institutions (museums, libraries, houses of culture). What can be noted is that there is no major difference between the responses of male and female respondents, only in the field of preservation of folklore, customs and traditional crafts. The issue is analyzed from the perspective of people with different ethnic backgrounds, because it is very important to determine whether there is variation in perceptions caused by the different ethnicity of respondents. The results showed a large difference of discontent on issues in the field of culture. Most pronounced difference appears in the discontent of organizing cultural events and preservation of folklore, customs, cultural heritage with 73% dissatisfied people.

In the Municipality of Konce, 70% of respondents are generally dissatisfied with the services in culture. The analysis refers to the fact that in all categories of responses the dissatisfaction prevails, and the highest level refers to the category of encouraging artistic work. What can be noted is that there is no major difference between the responses of male and female respondents, only in the field of preservation of folklore, customs and traditional crafts. The results of the distribution of responses based on ethnicity show that dissatisfaction of the ethnic Turkish minority is much larger in relation to these issues (83% versus 66% in the overall assessment of services in the area of culture). Given this, the local authority must undertake measures in order to support this ethnic group in fostering their culture and tradition. Regarding the distribution of responses divided by age of respondents, no differences worth mentioning.

There is no local institution in the field of culture in the municipality, and for all those areas listed as problems, the municipal government has jurisdiction. This survey will give signals for the authorities to take action in that direction.

Chart 33:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

Comparative analysis in culture results in different perceptions of this area depending of the categories. Given that Krusevo in recent years is the second cultural capital after Ohrid, citizens of the Municipality of Krusevo show relatively high level of satisfaction and partial satisfaction with the services. Extreme dissatisfaction is shown by the citizens of Konce, in which about 68% are dissatisfied. As in sports, in the area of culture as well a larger problem is a deficit in infrastructure, especially reflected in rural municipalities. The analysis by ethnic indicator indicates the fact that minority communities (ethnic Albanians in Krusevo ethnic Turks in Konce) in the municipalities show great dissatisfaction with the services in culture.

These results should encourage municipal authorities to provide and support cultural activities that will promote the cultural characteristics of minority communities.

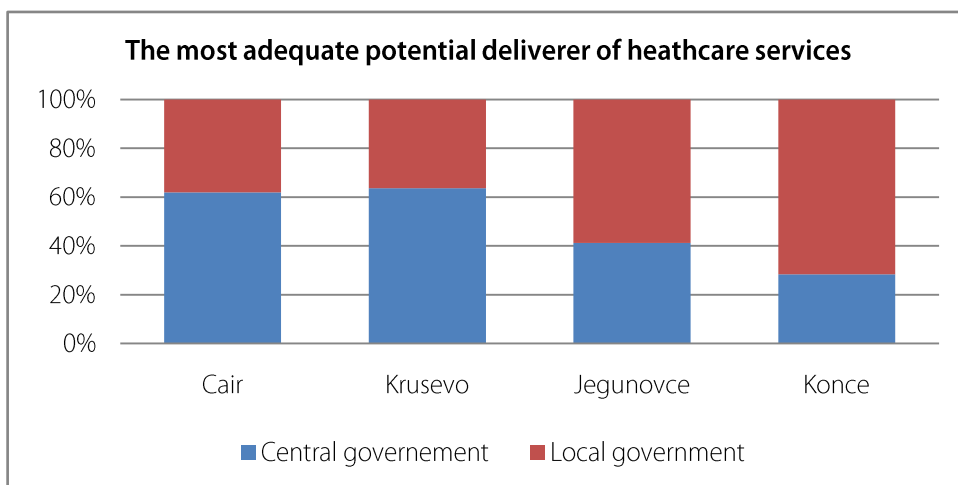
The satisfaction of the municipal services in the area of health care

The health care within the competence of the municipality relates to network management of public health organizations and facilities in primary care should include representation of local government in all committees of all health organizations in the public domain, health care education, health promotion, preventive activities, protection of workers' health and safety at work, health surveillance, environment surveillance of communicable diseases; assistance to patients with special needs (e.g. mental health, child abuse, etc.) and other areas will be determined by Law.

The bodies of state administration, the bodies of the municipalities and the City of Skopje, the health care institutions and other legal and natural entities shall, within its powers, rights and obligations to cooperate and exchange information on implementation of measures to prevent the occurrence, early detection, preventing the spread and eradication of communicable diseases and infections prescribed by this Law.

The health care was previously noted as one of the biggest problems in the Municipality of Krusevo. Further analysis only supports it, by the fact that 40% of respondents indicated dissatisfaction in this area. Regarding the question - who would be most adequate supplier of these services, the result is interesting because although they are not content, still prefer this service to be delivered by the current supplier, i.e. the central government with the support of 56%.

Chart 34:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

There is a difference between responses in the Municipality of Krusevo disaggregated along gender affiliation, where the percentage of male respondents showed confidence in central government is greater than the percentage of female respondents.

Since it is important to reveal the perception of respondents belonging to different age groups in the municipality of Krusevo and Konce, the allocation is made according to age, resulting in the greatest discontent among the age group 34 to 41 years.

In the field of health services in Jegunovce over 30% of the youngest age group is discontent, but increases in other age groups, reaching 55%. Older people, in all analyzed municipalities, which are hypothetical major users of health services also showed great dissatisfaction. They also are more inclined to the central government as a supplier of these services, compared with other age groups. In Jegunovce, 47% of respondents considered that it would be most appropriate supplier of complete services in this area.

In the Municipality of Konce, 61% of respondents indicated dissatisfaction in this area. Although the local government has little competence in this direction, however respondents (63%) think that it would be most appropriate supplier of complete services in this area.

The general evaluation of health services in Cair is that 40% of people are not happy with them, while 39% were partially satisfied. Only 15% of respondents are satisfied with how these services are organized and offered to their end users. The central government, which is an ongoing supplier of health services, is considered the best deliverer of these services with 52%, compared with the local authority in which 32% of surveyed persons trust.

Local sources of funding to delivery of local services

The local sources are the most important source of funding for local services. By moving to higher stages of the process of decentralization, the municipal government will be responsible for a wider set of services compared with the current ones. For this purpose, the municipal administration needs to prepare institutionally for more efficient and better quality supply of public goods and increasing the quality of life in their communities.

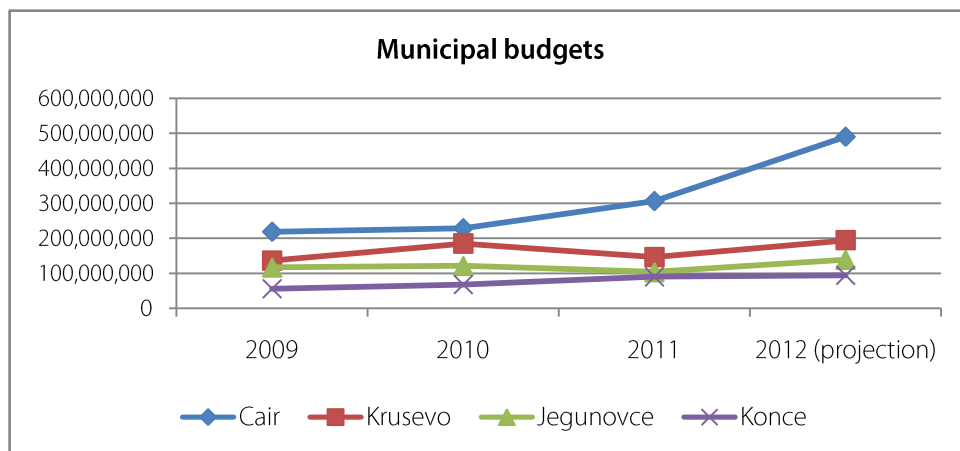
If we analyze the responsibilities of local government on the one hand, and the sources of their funding, expressed discrepancy between them could easily be seen, i.e. there is a significant gap between the ambitious system competencies and systemic sources of funding. This systemic difference arises from inadequate concept in making these two systems of laws – the one for the local government (in 2002) and the financing of local government (in 2004). Many economic analysts, including one of the loudest,

Bexheti²¹ think there is a significant difference between fiscal decentralization and de-concentration. In the case of Macedonia, where the dominant part of the funds are still getting through block grants and earmarked grants from the central government, and mostly through unbalanced formula for vertical and horizontal distribution system more deserving prefix is de-concentration, rather than decentralization. In general, the block grants are synonymous for the horizontal balance of the municipalities that fail significantly in the development, while not being regular instruments for financing the competencies of municipalities. Despite improving the range of quality sources of funding, like, "the good tax (VAT)", it is still not even minimally enough (on average approximately 4.6% of 100%). After all, it is always proved not just by the individual municipalities, but also by the organization of self-government units.

As previously mentioned, and as we can see from the analyses exposed here, the local authorities expressed a lack of funds for more areas under their jurisdiction, such as environmental protection and safety of citizens, health and social care, and education, urban planning, utilities, sport and culture and lack of funds in a certain degree for LED. Assets they own, which are intended for specific programs and strategies for better quality service delivery in these areas are insufficient to implement them.

The trend of the size of the municipal budget is shown in the following chart. During the last three years the budget has grown steadily, although with different intensity. Capital investment, although not very high, still present and provide larger and offer better quality in public services where they are invested. In 2012, the amount of planned expenditures are the highest ever.

Chart 35: The size of the municipal budget by years



Source: Ministry of finance of RM

²¹ A.Bexheti, Zbornik „Makedonija po Ramkovniot dogovor“ ФИИОМ, 2006 Скопје; A.Bexheti OSCE-URC Project-“Successful Second Phase of Fiscal Decentralization” August, 2007

Generally, the size of the budgets in the municipalities is extremely disproportionate to the size of the municipality by number of inhabitants, although the number of residents is not unique (but with the greatest weight in all standard formulas) parameter for the fiscal allocation. If we compare the Municipality of Jegunovce that has over three times the number of inhabitants compared to the Municipality of Konce – the budget differs by less than 50%! However, in the Municipality of Krusevo, there is a different proportion - even less in the number of inhabitants from the Municipality of Jegunovce, and over 50% larger budget than this municipality! Given that citizens are the focus (centre) of the local governance, they are the ones who should be the dominant parameter for the allocation of funds.

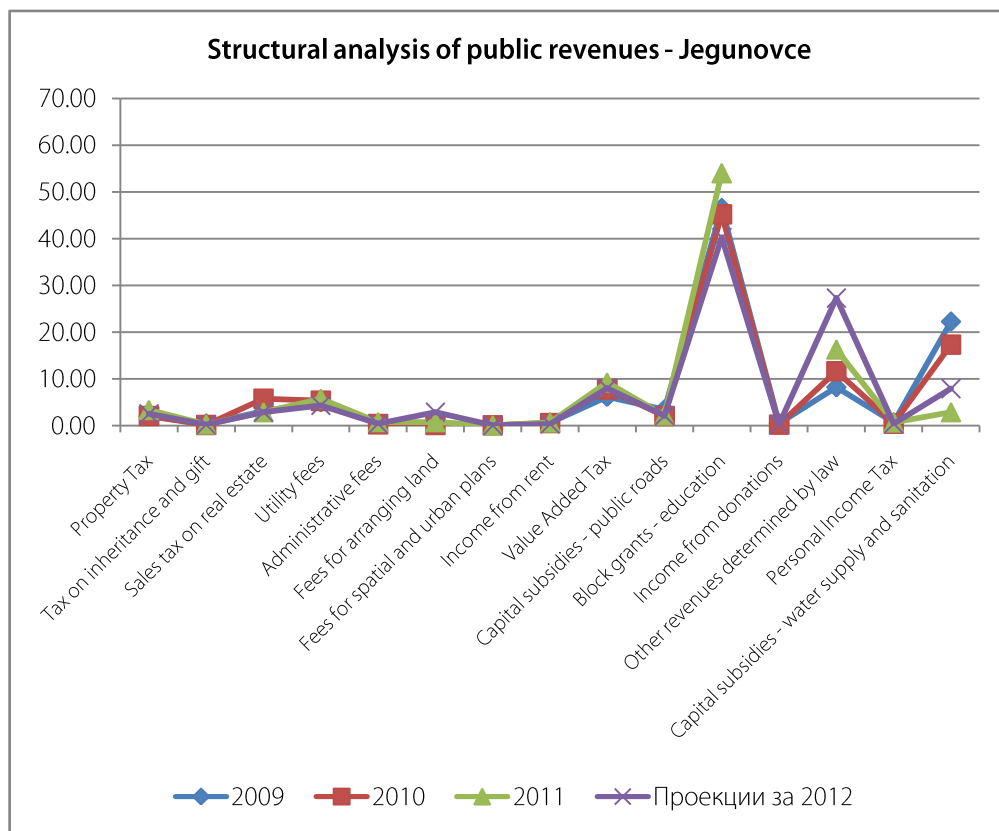
When the cost structure is analyzed, it could be concluded that in all municipalities on the expenditure side, the current-operating expenses in respect of capital expenditure are dominated, although in 2012 the planned capital expenditures increased greatly. It shows that the local government is more like an aim in itself, rather than to serve the citizens. They dominantly spend money for "self-governance", rather than to administer the needs and services for the citizens.

Generally, the revenue side of the budgets of all municipalities analyzed shows that revenues from local taxes and fees have not yet been consolidated and optimized - despite the low tax bases of the assets and values of the turnover of property, the individual municipalities still do not use the given "constraints" of the margins of the rates of property tax (from 0.1 to 0.3%), probably because of the political opportunism of local authorities. Hence, they do not have much moral right to demand from central authorities to be "generous" to them through fiscal sources of "good taxes". First, they should use all opportunities arising from the local resources - from micro-structural management of all local sources of taxes and fees, by strengthening the fiscal capacity to be able to use the legal opportunity for "local public debt," then rely on the budget subsidies from the central government and the possible external grants and donors. In this section, all the municipalities included in the analysis (and other municipalities in Macedonia, whose fiscal data are available through the Ministry of Finance) with small differences, have similar access to these resources. The Municipality of Cair as the largest urban municipality, normally takes the higher position than other municipalities in local taxes and fees (especially in taxes for signage, residence, etc.) And the smallest municipalities in the revenue structure shows significant rebound in revenues from VAT (The Municipality of Konce) while expenditure on education differs significantly among the Municipality of Jegunovce over other municipalities.

The analysis of the structure of income in the Municipality of Krusevo in the period from 2009-2011, shows oscillations in several segments. Revenues from sales tax on real estate, double reduced from 2009 to 2012. The communal fees are increasing by 7% in 2011 compared to 2009. In this period the administrative fees increases as well. In 2011, there is a double increase of the revenue from sales of the property. As far as the transfers in 2009, they covered 49%, 54% in 2010 and 37% in 2011. It is interesting that in the projections for 2012, the Municipality of Krusevo has increased the transfers as part of the budget with 66%.

The structural analysis of the public finance in Jegunovce has the following picture.

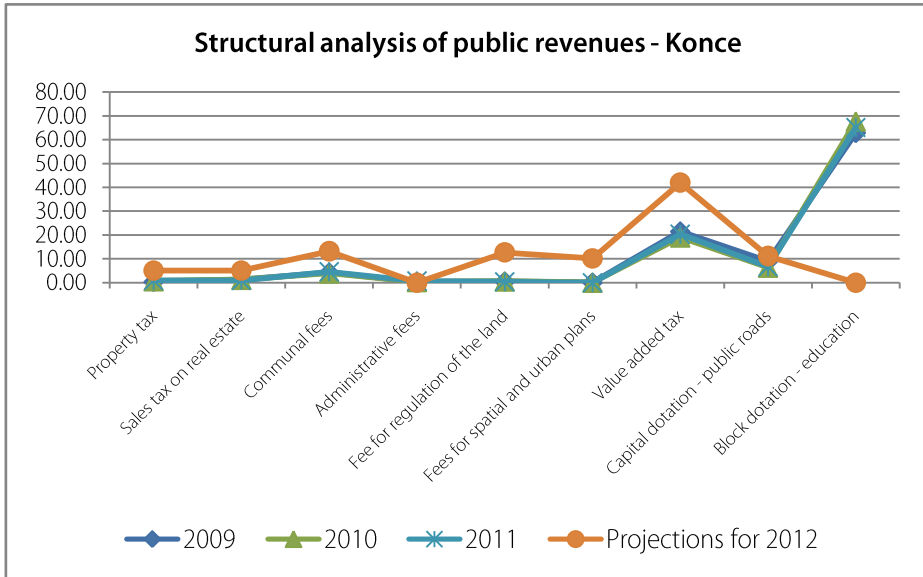
Chart 36:



Source: Ministry of finance of RM

On the chart below may be noted that in 2012 the Municipality of Konce provided increased revenue almost on all grounds other than the tax on inheritance and gift from administrative fees and income from rent. Revenues from value added tax is scheduled to be substantially increased, and revenue from utility fees, fees for regulation of land and fees to spatial and urban plans. Structural analysis shows that the part of the value added tax of 42% is almost half of the total municipal budget.

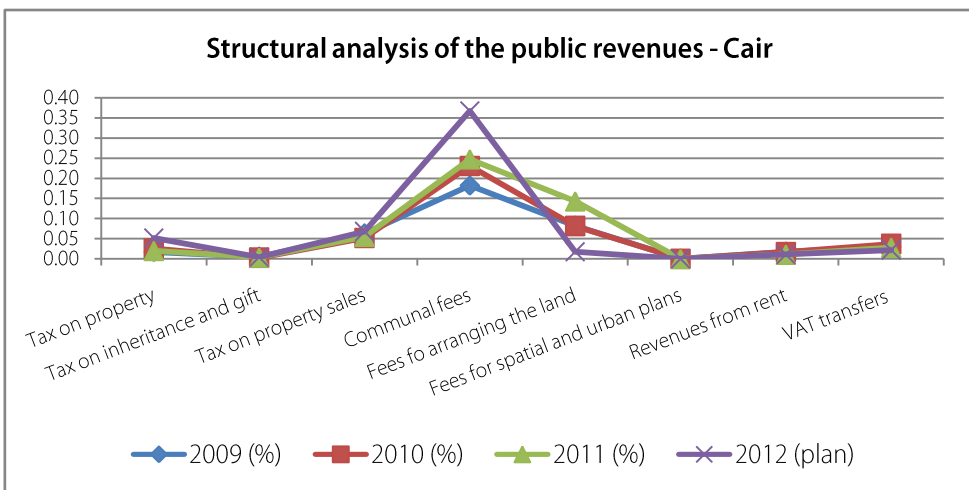
Chart 37:



Source: Ministry of finance of RM

If we analyze the revenue that largely covers the municipal budget of the Municipality of Cair, we can single out three categories, namely: communal taxes, which in 2011 cover 25% of total current income, construction land fee (14%) and tax on sales of real estate (6%). In 2012, the plans were to have 37% of share of municipal taxes in total operating income and higher share of property tax and tax on sales of real estate.

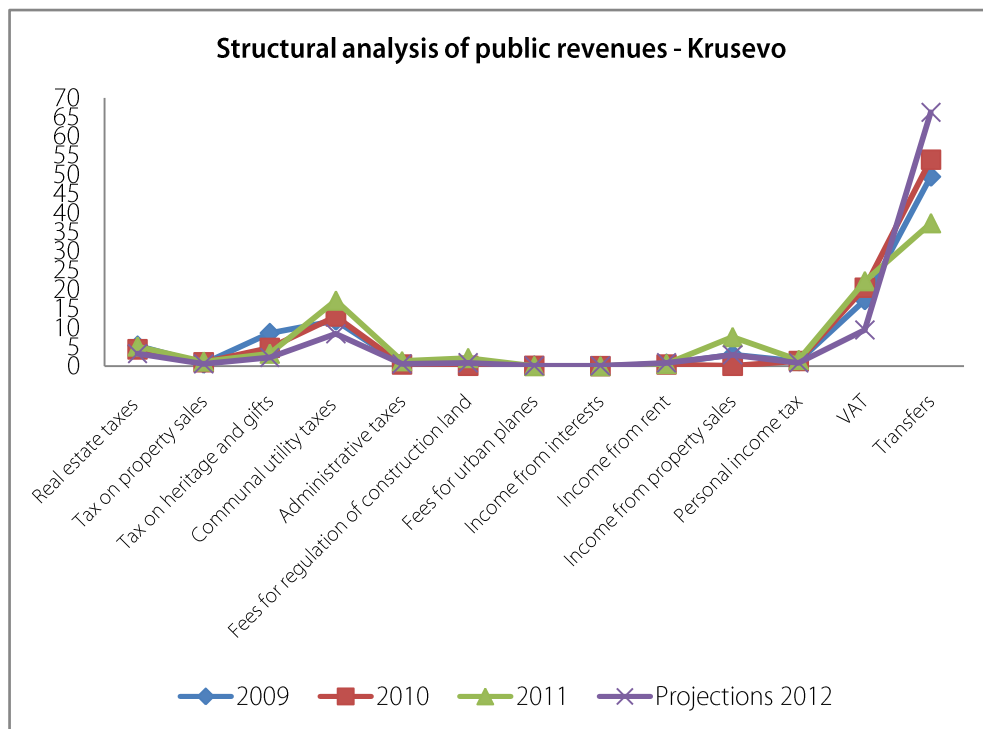
Chart 38:



Source: Ministry of finance of RM

The structure of the revenues in the Municipality of Krusevo as a percentage of the local budget is shown in the chart below. Based on the analysis of the projections for 2012, the highest rate goes to education, water supply and construction and maintenance of local roads. Citizens believe that the priorities of the municipal administration should be the construction and maintenance of public roads, local economic development and communal services. It is interesting to mention the fact that the municipality in 2011 predicted financial means for local economic development for 2010 and 2011, and in 2012 funds for this area are not provided.

Chart 39:



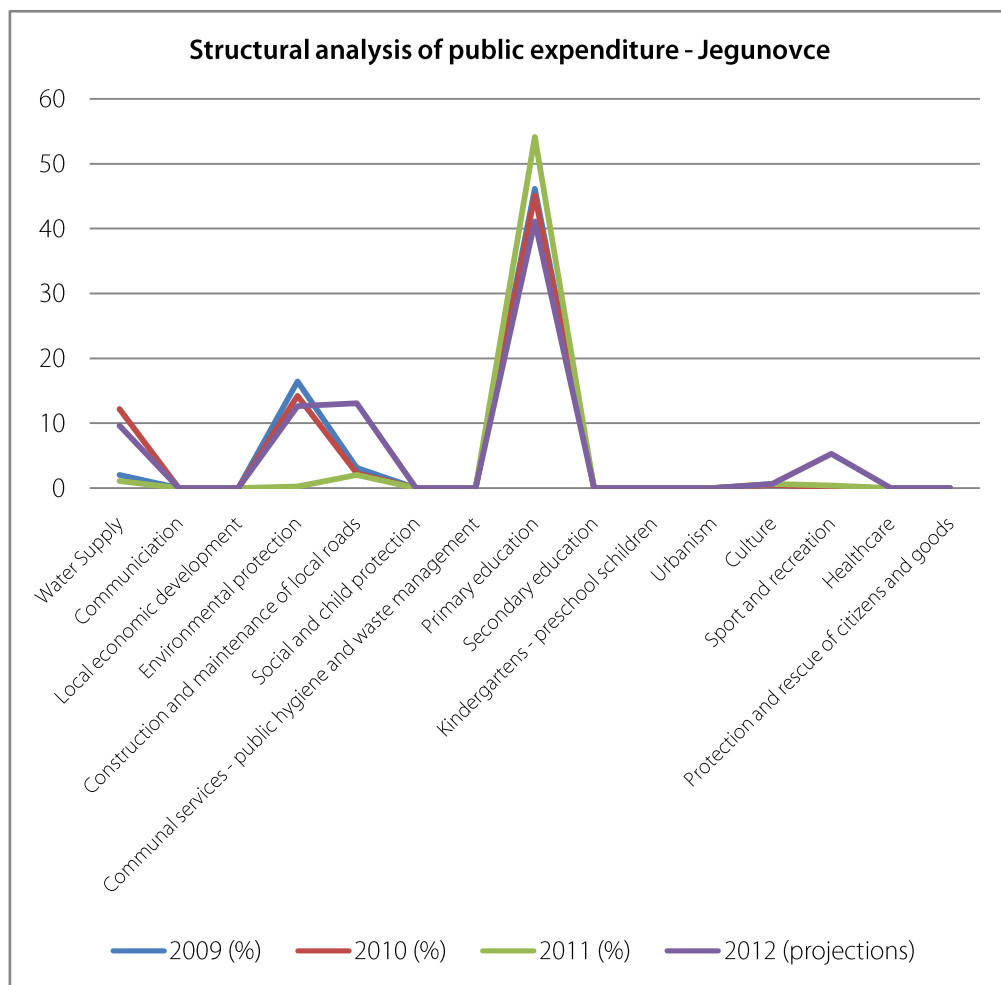
Source: Ministry of finance of RM

Although the municipal governments are facing problems in finding funds to realize its full potential in programs and activities, citizens believe that local public revenues (taxes, fees) are high and represent a burden on the users of services. Regarding the property taxes, only 3% of people in Krusevo think they are high (it is interesting that the female population of respondents have a slightly milder opinion on the amount of these taxes by 2-3%).

The expenses' structure in Jegunovce as a percentage of the local budget is shown in below. Based on the analysis of projections for 2012 it is obvious that the highest rate is provided in education, construction and maintenance of local roads and water supply. According to the survey results shown in the chart below, the citizens

believe that the priorities of the municipality should be the area of water supply, the local economic development and the communication. Given these data, although the municipal administration has provided nine times more money (10%) for the field of water supply for 2012 and for the construction of local roads (13%), according to the obtained data it is evident that there were not projected expenses for the local economic development for 2012. It is worth mentioning that the local economic development is the second ranked problem by the citizens, which means that citizens have the perception that the municipality is not doing enough in the field of LED for which the municipal government has responsibilities.

Chart 40:



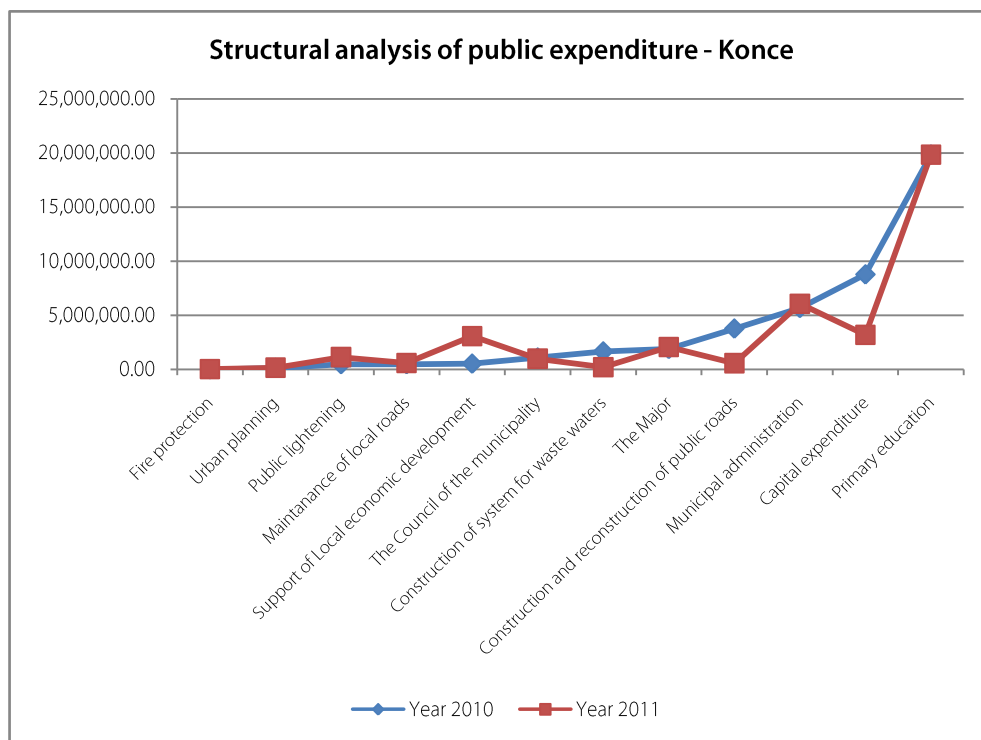
Source: Ministry of finance of RM

Although the municipal authorities in Jegunovce face difficulties in finding financial resources to realize its full potential in programs and activities, citizens believe that the local public revenues (taxes, fees) are high and represent a burden on users of services. Regarding the property taxes, 26.8% of people in Jegunovce think they are very high and 28% think that they are partly high. Taxes on inheritance and gift in Jegunovce are also assessed as high or partially high. It is evident that many respondents refuse to express their opinion about the questions about the amount of the tax. The contribution for public services is assessed as high or very high.

In terms of male and female respondents, the male respondents reported positively on the amount of taxes on all issues related to female respondents. It is worth mentioning that ethnic Macedonians and ethnic Albanians have identical views regarding the amount of taxes that is expressed by over 50% who are satisfied, from both major ethnic communities in Jegunovce.

The structure of expenditures by function in the Municipality of Konce is shown in the following chart:

Chart 41:



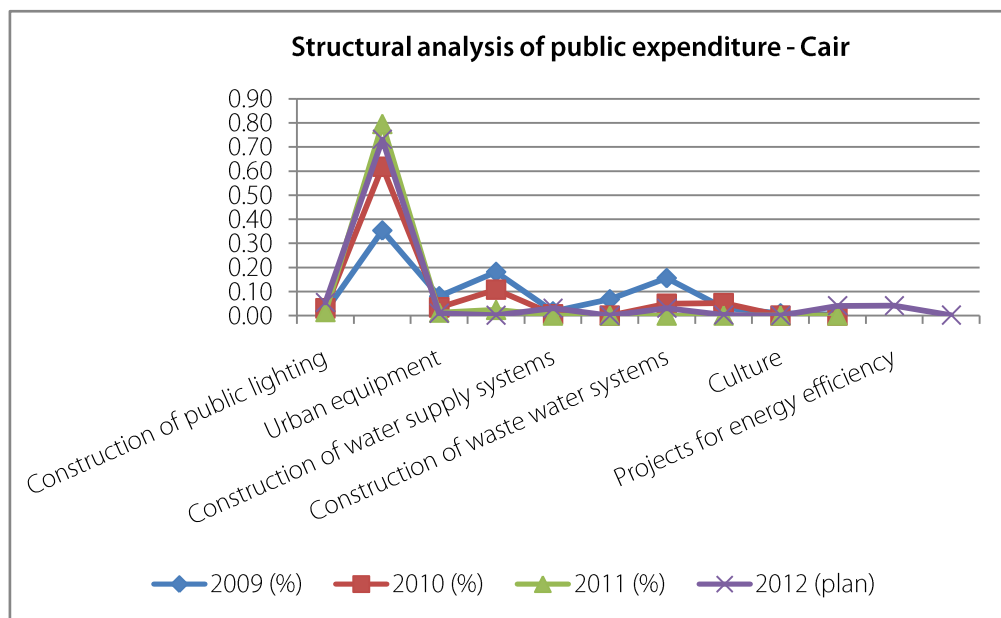
Source: Ministry of finance of RM

With regard to rates of property tax, 54% of people in Konce think they are very high and 29% think that they are partly high. Taxes on inheritance and gift are also

assessed as high or partially high. Most people have no opinion on the amount of taxes on sales of real estate. The contribution for public services is assessed as high or very high.

The analyzed expenditures of the municipal budget responsibilities i.e. functions in the Municipality of Cair, typically the largest share is the share of expenditures for construction and maintenance of roads and communal services from the total expenditures of the municipal budget. Projected operational expenditure in 2012 will mostly focus on construction and maintaining of local roads (50%) and communal services (14%) of total planned expenditure in 2012.

Chart 42:

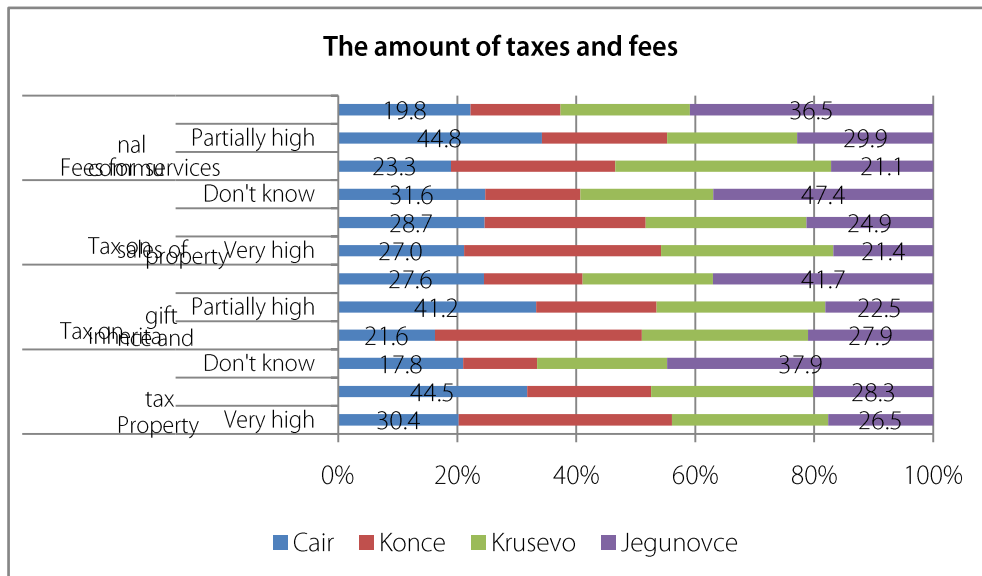


Source: Ministry of finance of RM

Although the municipal authorities in the Municipality of Cair face difficulties in finding financial resources to realize its full potential in programs and activities, citizens believe that the local public revenues (taxes, fees) are very / high and represent a burden on the users of services. In terms of property taxes 44.5% of respondents think that is partly high, while 30.4% considered it very high. Tax on inheritance and gifts is also rated as partly high, although 28% of people have no opinions on this issue. Many of the respondents had no opinion regarding the size of the tax on sales of property; although a significant part thinks it is very high or partially high. In terms of fees for communal services the prevailing answer is that they are partly high and high by 44.8% and 23.3% respectively, although a significant portion of respondents had no opinion regarding the same.

The lack of stance on their own taxes and fees generally refers to non-informing the citizens about the primacy of these taxes to fund the municipal budget, which on the other side should offer certain quantity and quality of public goods and services to the same citizens and would raise the quality of life of citizens. The awareness on this issue should be raised and the habit of regular payment of obligations by citizens should be acquired.

Chart 43:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Most young people in communities aged 18-25 years have no opinion on the above issues, which is one indicator of the need for their greater awareness for the existence of these taxes and liability for their regular payment. One exception is considered in the Municipality of Konce, where young people regarding the amount of property tax 39% think they are very high and 35% think that they are partially high. High taxes and lack of attitude is characteristic of the inheritance and gift tax and tax on sales of property.

In the breakdown by ethnicity when common element is the reduction of funds available to citizens because of the obligation to pay the tax, there is no difference between responses from the previous general conclusions stressed above.

Cair is assessed as partly successful or unsatisfactory deliverer of local services basing on the fact that 73% of people believe that the municipality partially (43%) or badly (29%) manage the money and do not use them effectively and targeted. Collaboration with other institutions to offer services is assessed by partial satisfaction

(39%) and 26% dissatisfied respondents. Similar opinion exists in regard to the role of the municipality to increase the social welfare of the people of Cair. To be more realistically assessed, tax incidence (burden) is commonly measured by quantitative methods rather than qualitative opinion of the citizens, who are also taxpayers. So, the expression of citizens' tax burden should be taken with great reserve - every time and everywhere (with individual exceptions, for example, in Scandinavian countries) they are negatively correlated variables - for the taxpayer the most minimal tax is also a burden, while for tax user, it is vice versa. The case study of four municipalities, the tax burden is not a crucial issue, but the effective and efficient use of the taxes!

The views associated with managing the budget by the local governments in other municipalities are almost equally divided into positive and negative direction, a large number of those who reported on this issue. The greatest support and criticism is given in terms of economical spending of budget funds, minimum support is given in terms of good cooperation with other agencies and institutions. This leads to the conclusion that citizens believe that municipal governments should make reallocation of priorities that is necessary to intervene in the near future.

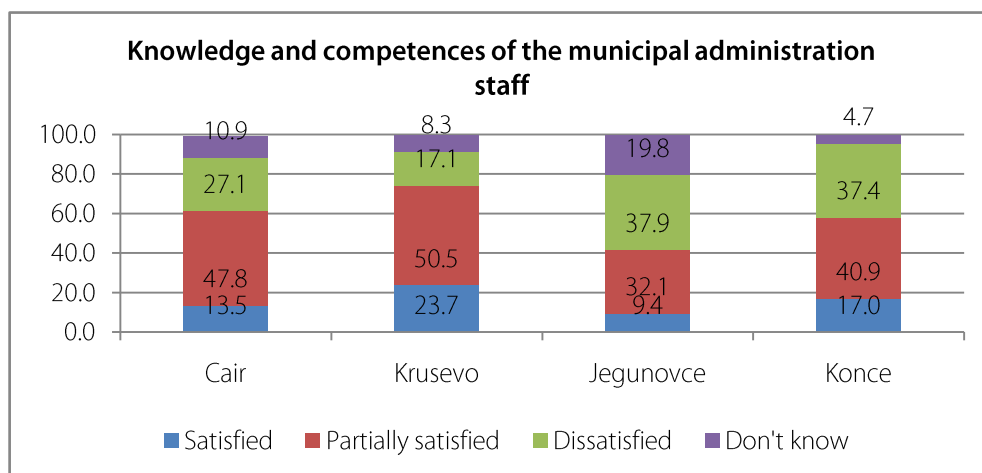
The principles of good governance (transparency, participation, accountability, efficiency and effectiveness)

In all four municipalities that were surveyed - Cair, Krusevo, Konce, and Jegunovce it is evident that they implemented and adopted processes of long-term planning and strategic documents - all municipalities implemented strategies for local economic development, general urban plans, public investment plan for development of communal infrastructure; in the majority of municipalities local action plan for the environment, a program for waste management, local strategy for sport and recreation, program for protection of the citizens and program for social protection, and employment program were implemented as well. According to the data, the processes have been planned, designed and implemented with the involvement of the citizens as well. For decision making in the strategic activities, the municipalities organized workshops to consider the proposals and the needs of citizens living in these municipalities. Local experts were involved in the processes of strategic planning. Furthermore, the municipalities have expressed a willingness and cooperation with the central government, private (business) sector and NGOs in planning and funding the preparation of the above programs.

Efficiency and effectiveness

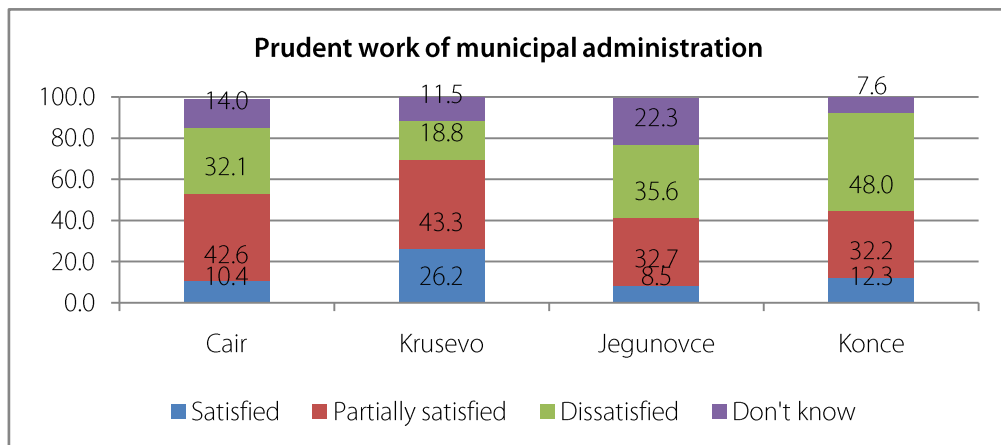
The perception of the citizens regarding the five issues of the administration of their municipality, the knowledge and competence, proper operation of the municipality, timely execution of tasks, paying attention to the citizens and the overall impression vary, but the general impression is that the number of satisfied is low, excluding the municipality of Krusevo where the percentage of satisfied people is up to 24% for knowledge and competence. In relation to knowledge and competence of employees in the municipality of Cair and Konce, 14% and 17% respectively, are satisfied with over 40% that reported themselves as partially satisfied. This percentage is above 50% for the municipality of Krusevo. In terms of the municipality of Jegunovce, the percentage of satisfied and partially satisfied in general is 42% on knowledge and competence of the municipal administration. Also, it should be noted that there is a significantly high percentage of dissatisfied in the Municipalities Jegunovce and Konce, with a high percentage of the Municipality of Cair, with only 17% dissatisfied in the municipality of Krusevo. In terms of prudent working, except those who didn't have opinion on this issue, the prevailing mood is the same as for the question on knowledge and competence. Respondents show consistency on issues of timely execution of tasks, but in terms of considering the attention of the citizens, the percentage of dissatisfied citizens significantly increases in all municipalities.

Chart 44:



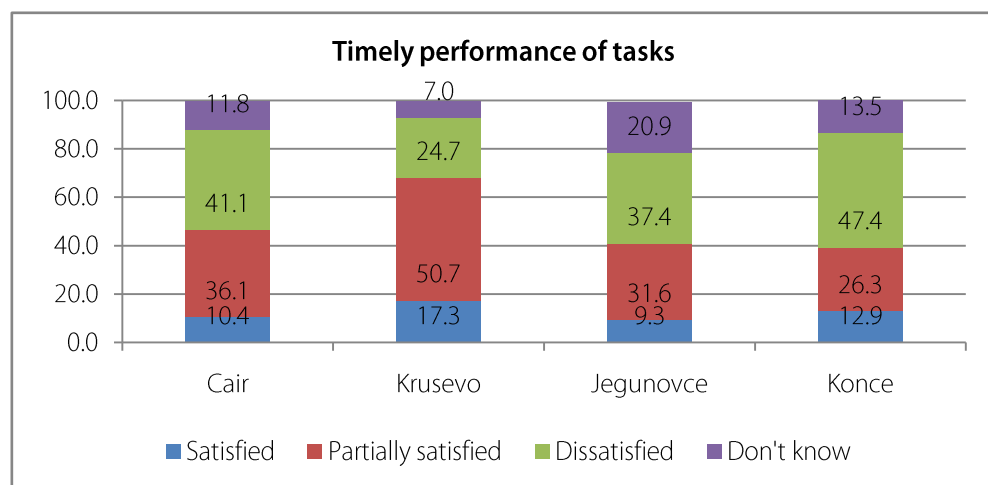
Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

Chart 45:



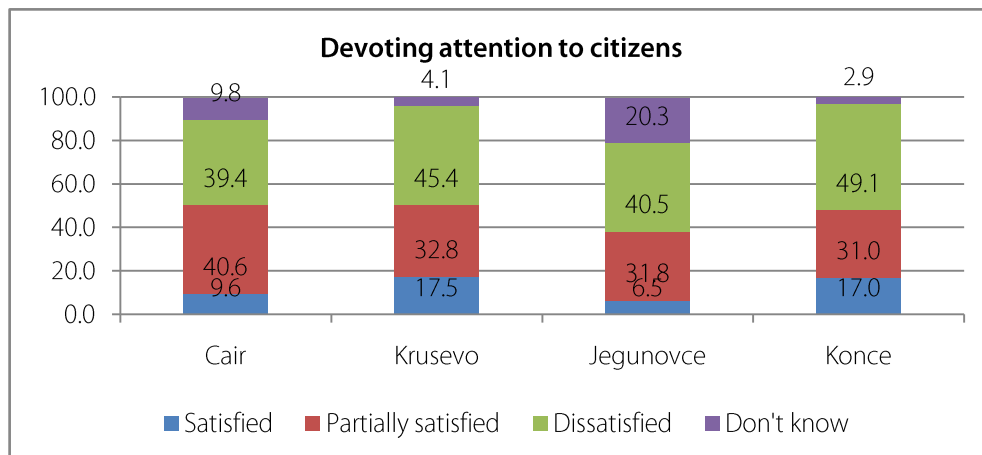
Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 46:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

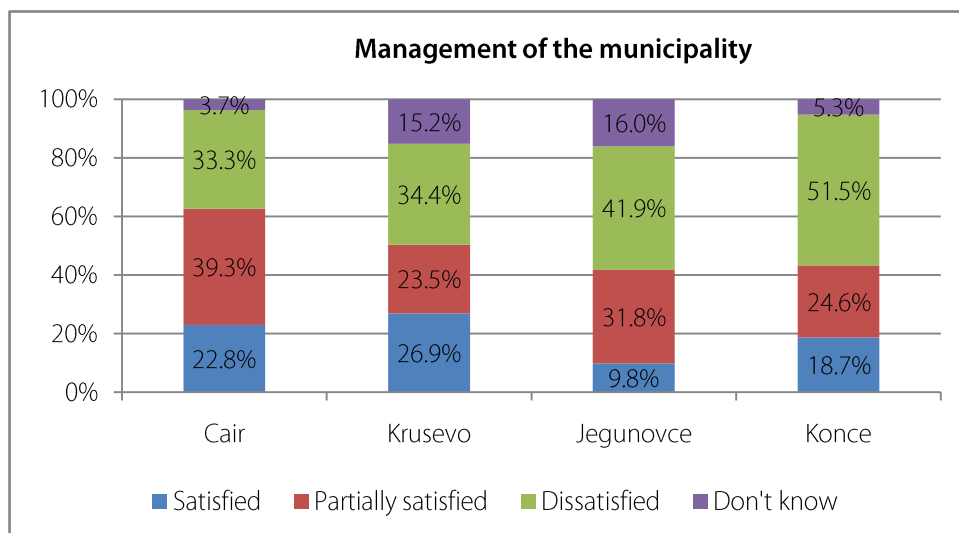
Chart 47:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

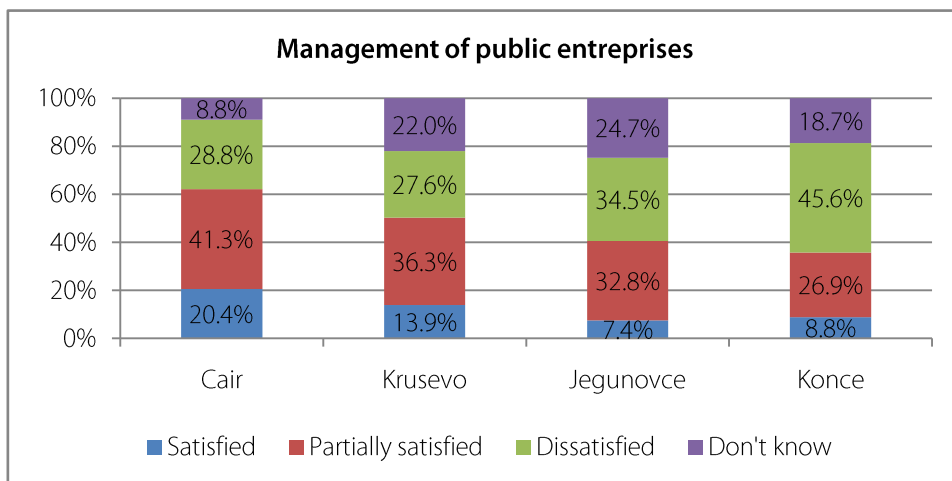
In terms of attitudes about satisfaction with the way the municipalities are managed, the number of interviewees who said they are satisfied is considerable high in all municipalities. Also, the percentage of partial satisfaction is high despite a significant percentage of respondents who are satisfied. The same trend can be observed in attitudes about how to manage the public enterprises.

Chart 48:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

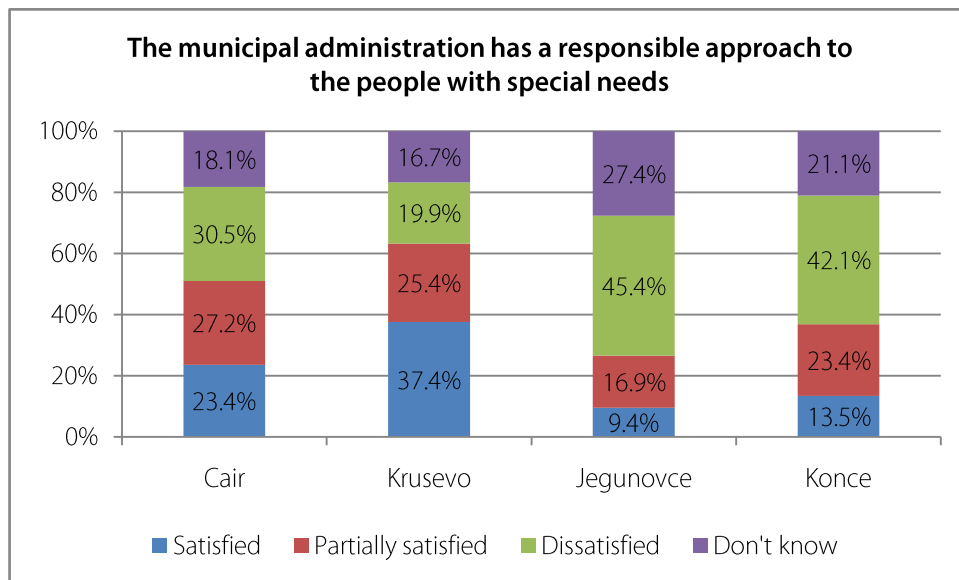
Chart 49:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

It is worth noting that in relation to issues of discrimination of minority communities in the municipalities in terms of taking preventive measures for gender inequality, positive responses are prevailing. Females showed much greater confidence in the municipality's responsible approach towards people with special needs than males, as compared to the treatment of minority communities. In contrast, the female respondents showed less certainty regarding the issue of gender inequality. In terms of responsible access to persons with disabilities with the exception of Krusevo in other municipalities, the percentage of respondents who reported their disagreement with the municipalities' responsible approach towards people with disabilities is significantly high.

Chart 50:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

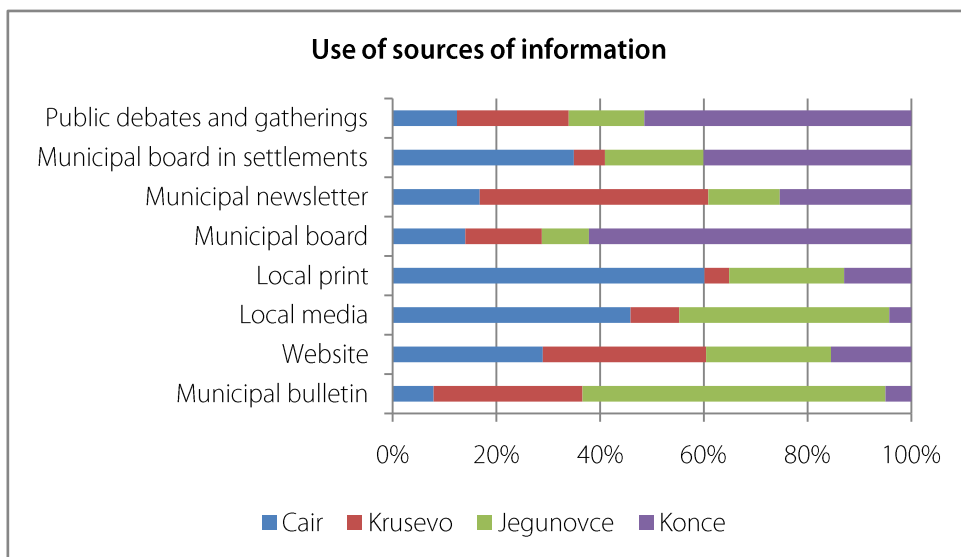
What is important to investigate in this area is whether there are variations caused by differences in ethnicity of respondents. The results show that the dissatisfaction of respondents ethnic Albanians is considerably higher compared to the ethnic Macedonians to these questions, 41% versus 28% in how to manage public enterprises, with an exception of the Municipality of Cair, where the percentage of dissatisfaction is identical with 28%. 49% versus 17% is the relationship in taking measures for discrimination of minority ethnic communities with the exception of the municipality of Krusevo, where the dissatisfaction of ethnic Albanians is 77%, and 48% versus 18% in taking preventive measures for gender inequality. Regarding other issues, ethnic Macedonians and ethnic Albanians have similar views expressed by over 40% dissatisfaction with the municipal performances in this field.

Transparency

The awareness of the citizens is extremely important element of transparency. Although the citizens enclose high degree of dissatisfaction, they reported that they were informed about the municipal plans and activities, according to the responses on the sources of information, it could be concluded that they are all available media to communicate with the municipality, especially for information about the work of the municipality. There is a certain percentage of people who use some of the categories of

publications. The highest percentage appears for those who are informed through the media, newsletter of the municipality, and the municipal website.

Chart 51:



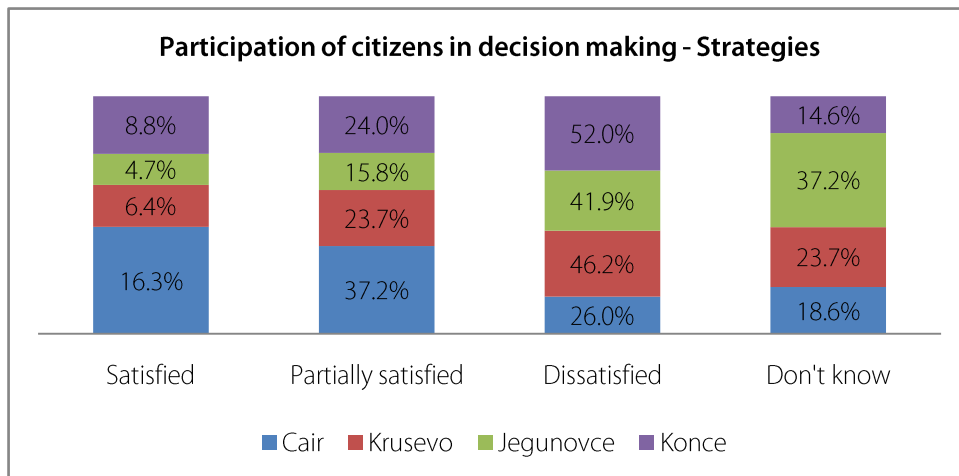
Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

The participation of the citizens

The respondents evaluated the involvement of citizens in policy making, which assess the overall process, participation in the design of programs, planning, urban planning and management strategies. Respondents feel that there is more room for qualitative involvement in decision making. About half of them are not satisfied with the overall involvement in decision making. When evaluating specific instruments, a large percentage of respondents reported that they participated.

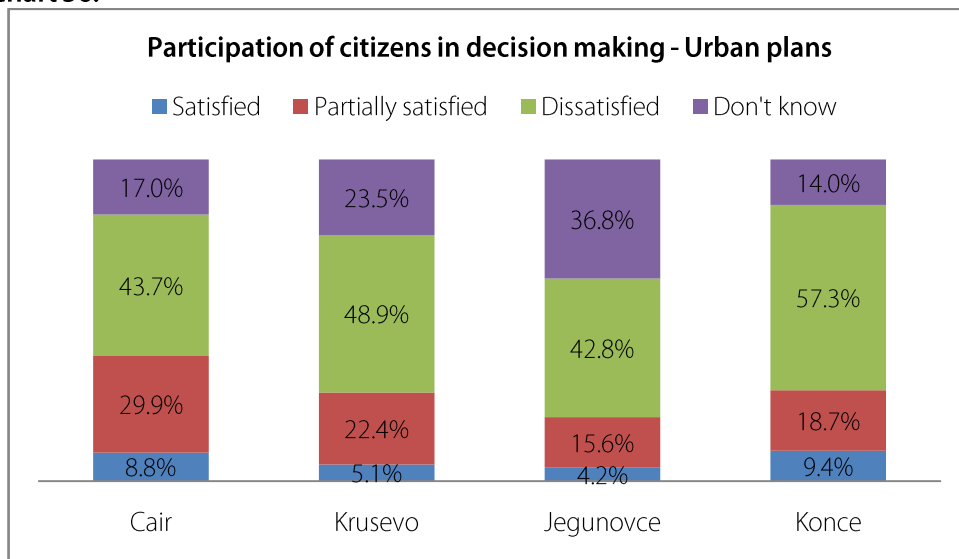
When we evaluated the individual instruments, citizens are more satisfied with their involvement in designing strategies, but less satisfied with their role in budget planning, urban plans, and participation in the development of programs. A significant high percentage of dissatisfied citizens has to do with the participation in decision making. The results do not differ in terms of different ethnicity's dissatisfaction with the high percentage of involvement of citizens in decision making.

Chart 52:



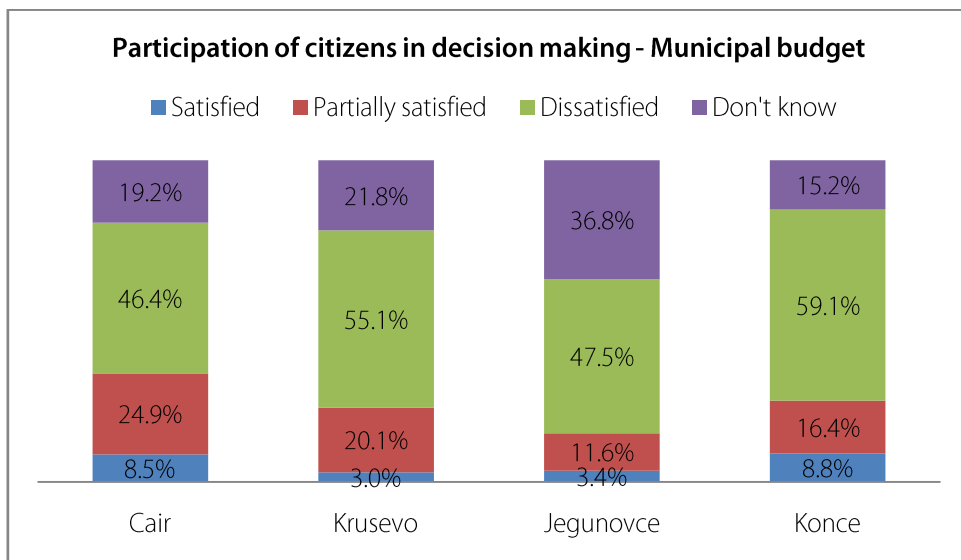
Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 56:



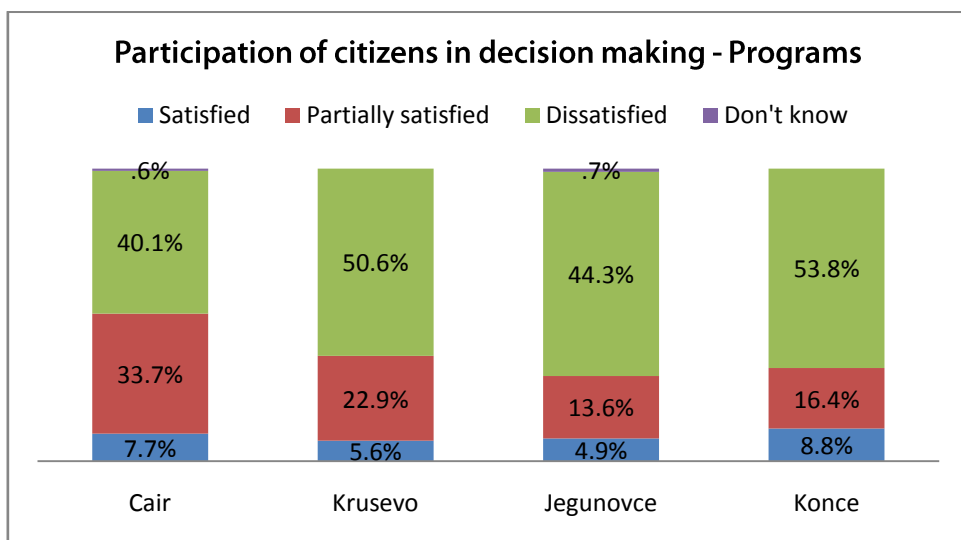
Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 53:



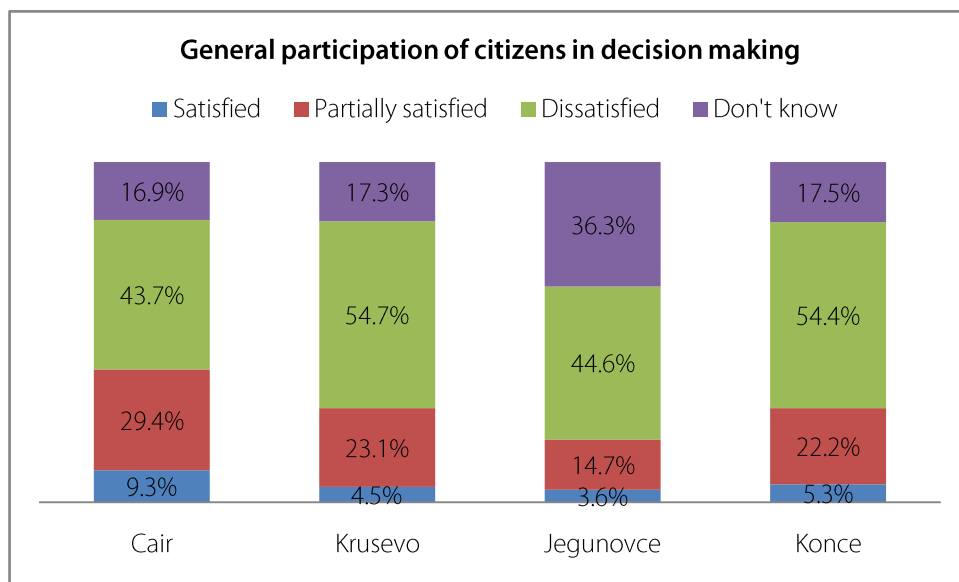
Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 54:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 55:



Source: *The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011*

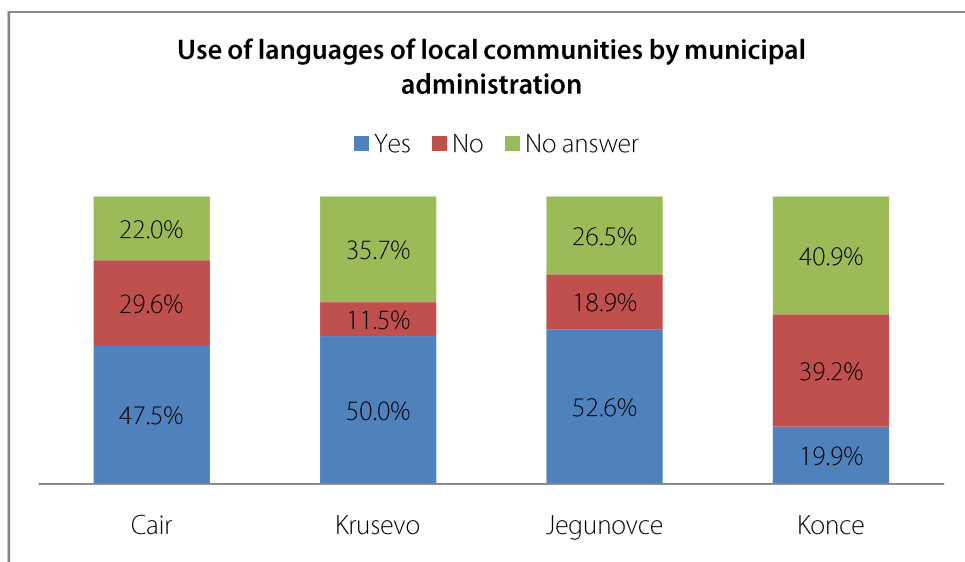
There is an insignificant percentage of those who reported that there is a detectable appearance of corruption in municipal government and in public companies, but there is a high percentage of those who do not answer this question. Also, there is a small percentage of those who filed appeals and complaints to the municipal administration or public local enterprises, except in Cair municipality where the percentage of citizens who filed complaints to the public enterprises is 27%.

Accountability

According to the respondents, the Mayor and the municipal administration annually within the annual report to the citizens in order to account for spending of budget funds.

Half of the respondents from the municipalities of Cair, Jegunovce and Krusevo stated that the municipal administration in communicating with citizens in written and oral communication uses the language of the local community. In the municipality of Konce 20% of respondents reported a positive response on this issue. On the other hand, it is evident that in all municipalities, significant high percentage of respondents didn't report on this issue.

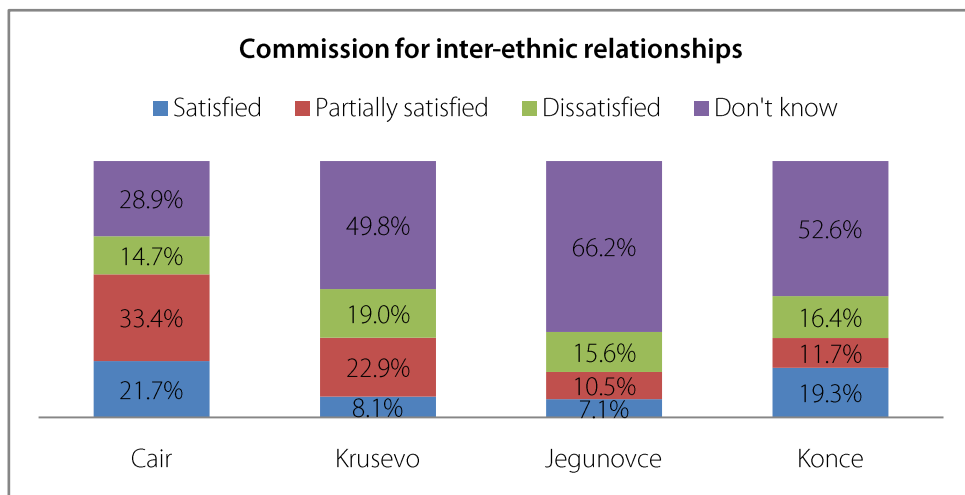
Chart 56:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

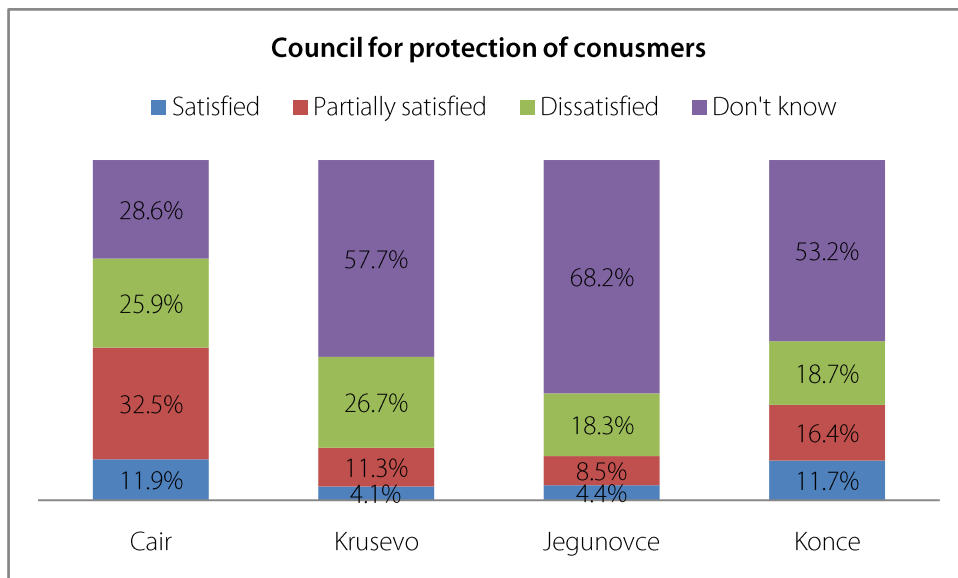
In terms of job satisfaction of the statutory participatory bodies, many respondents did not answer. Of those respondents who answered, it is obvious that the opinions are divided on this issue.

Chart 57:



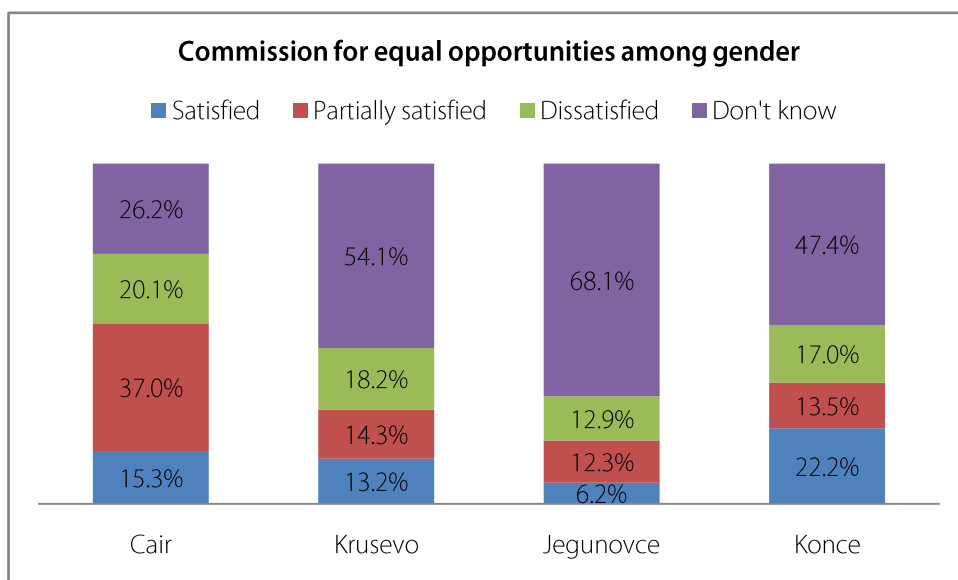
Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 58:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

Chart 59:



Source: The Survey of satisfaction with the services under the jurisdiction of the Municipality of Konce, Krusevo, Cair and Jegunovce, December 2011

It seems that there is a sufficient awareness of the existence of these institutions. Moreover, there are significant percentages of respondents who are not satisfied with the Council for protection of consumers' activities. Bearing in mind that these are the main bodies through which the citizens can protect their rights and interests, they should find a way to be closer to citizens in the local community.

Almost all respondents would again take part in this type of research to improve municipal services by highlighting the views of service users, as major stakeholders in the process of local government.

Conclusions

Based on the above findings of the comparative analysis of services in various areas of competence of municipalities, the following conclusions, relevant to all four pilot municipalities could be allocated:

LOCAL BUDGETING AND FINANCIAL / FISCAL MONITORING

Based on available data, it is evident the existence of a fiscal gap between the financial revenues and expenditures' need of the municipalities, which results in incompletely handling projected strategies, plans and activities

- There is a clear lack of effective distribution of funds
- There is an incomplete collection of own local revenues, the declining trend in terms of the last 4 years.
- There is a satisfactory level of participation of stakeholders in planning the budget.
- There are not prepared detailed analysis of revenue / expenditure based on certain indicators in order to have detailed and specific insight to these categories used for specific needs (debit, credit rating, implementation of ISO / CAF standards etc...)

LOCAL ECONOMIC DEVELOPMENT

- This area is identified as one of the most problematic areas in which municipalities have achieved at least results. As a reflection of policies and strategies of central government, even that this area is the responsibility of municipalities, there is a high unemployment.
- There are initiatives and activities aimed at inclusive local development
- There is no inter-municipal cooperation that will result in joint activities related to LED, encouraging self-employment and SME development

PROGRAMMING, PLANNING AND FINANCING THE LOCAL CAPITAL INVESTMENTS

- There are no prepared assessments of borrowing capacity of municipalities for construction of certain capital investments
- There are no prepared analyzes for availability and projects for market research

PUBLIC-PRIVATE PARTNERSHIP

- While the municipalities in most areas were highlighted as the best providers of services based on the opinions of the respondents, they do not use alternative forms of cooperation to a higher quality service delivery.

LOCAL STRATEGIC PLANNING AND PREPARATION OF PROJECTS

- No funds are provided for further statistical studies aimed at preparation of strategies, action plans and priority projects of the municipalities for medium and long term planning.
- External stakeholders are insufficiently involved in the preparation of strategies, action plans and projects, i.e. the evaluation of the available database and analyzes through the exchange of opinions, to achieve a higher degree of agreement about priority issues and problems and for choosing the best approach for processing and finding practical solutions.
- There is lack of training for building and developing facilities for the performance of best practices, preparation of feasibility studies, preparation of environmental impact on the environment, budgeting.

INVOLVEMENT OF THE VULNERABLE GROUPS, WITH FOCUS ON THE UNEMPLOYED YOUTH

- There is a large percentage of unemployment, especially among the young population, and there are no developed institutional mechanisms for engagement of this population group.

GOOD GOVERNANCE

- There is no involvement of local communities, especially the most vulnerable groups in the processes.

BUILDING CAPACITY FOR COOPERATION WITH STAKEHOLDERS

- There is a need to develop more effective communication with the public enforcement of the Law on Free Access to Information.
- A lack of awareness of citizens on municipal priorities and activities is identified
- As a result of the foregoing, the responsibility of the administration is low.

LOCAL MANAGEMENT OF ENERGY EFFICIENCY

- The municipalities are almost equally positively assessed in respect of all categories of environmental protection, except in the field of energy efficiency - energy, mitigation and adaptation to climate change, managing natural resources and reducing the risk of disasters;

EDUCATION

- Primary education in all municipalities, except in Cair is rated as an area in which municipalities have the best results. Above all, this is due to stable grants they receive from central government.

Recommendations

LOCAL BUDGETING AND FINANCIAL / Fiscal Monitoring

- A more detailed elaboration and calculation of the existing municipal expenditure and revenue capacity associated with the fiscal gap, based on available data needed.
- Projection of revenues and expenditures over the medium term assessment of costs and expenditure implications of local policies.
- Allocation of funds for implementation of identified priority interventions / activities of the group for planning the municipal budget.
- Training for local budgeting, management of financial debt and financial / fiscal monitoring.
- Increase the engagement of the municipal administration on reducing the identified fiscal gap by improving the collection of revenue from local sources of revenue.
- Further encouragement of citizen participation in activities related to the budget process in the municipality, by supporting organizing public forums for discussions regarding the draft budget in the community associations of citizens, educational institutions and institutions for social protection, and cultural and sports institutions, etc.

LOCAL ECONOMIC DEVELOPMENT

- Screening of relevant local / regional / national private sector and civil society which have a wide network, good reputation and is able to mobilize youth and other specific vulnerable groups and to generate social establishing partnerships for inclusive service delivery and to establish cooperation for inclusive local development.
- Mapping of (existing and potential) models of social entrepreneurship - socially responsible economic initiatives that can attract investment funds in the local context.
- Mapping potential arrangements for IMC associated with local economic development²² and the overall opportunities for public-private partnerships and granting concessions aimed at reducing the costs of administration or reduce the cost of providing services that affect local economic development and on the rate of (un)employment in the community.

²² Such as: regional based rural development; joint implementation of agro-environmental measures including creation of Local Action Groups; business, trade and economic development (including people's skills development) ; joint tourism development and other measures to attract investments; joint administration/public utilities and cooperation for development of regional environmental infrastructure; joint planning for disaster-risk reduction; better management of protected areas; joint facilities for integrated/inclusive community based development and others.

LOCAL CAPITAL INVESTMENTS PROGRAMMING, PLANNING AND FINANCING

- Best international practices suggest that there are twelve major steps²³ which need to be followed in capital programming and budgeting. Following a more detailed review of these steps, suggestions could be made on the sequence in which the institutions implied by each step should be installed and strengthened. **The first step** is to determine the organizational structure. **The second step** is to establish capital policies. **The third step** is to develop appropriate calendars, forms and instructions. **The fourth step** is to assess capital needs. **The fifth step** is to analyze financial capacity. **The sixth step** is to prepare project requests. **The seventh step** is to review project requests. **The eighth step** is to rank project requests. **The ninth step** is to evaluate financing options. **The tenth step** is to draft the capital program and budget documents. **The eleventh step** is to adopt the capital program and budget. **The twelfth step** is to monitor and evaluate the capital budget.
- **Assessment of the municipal borrowing capacity and the size of the municipal financial needs and associated transactions costs on the basis of available data**
- **Mapping of local/regional/national brokers between financial sector and municipal sector with respect to energy / local roads and environment infrastructure investments**
- **Preparation of affordability analyses and a Project Market Study** (informed resource envelope for local public investments) – **with critical information on:**
 - The access to sustainable development finance for the pilot municipalities including existing and potential domestic and international sources for borrowing and capital grants/investment programs.
 - municipal projects that are creditworthy and those that are not in a sense that the built infrastructure would not generate sufficient direct flow of revenues²⁴
 - municipal projects that have high probability of being funded on short and medium term

²³ Source: George M. Guess (2005): *Institution-Building for Improved Capital Programming and Budgeting at the Local Government Level*

²⁴ Such as: roads, water and sewerage treatment plants, transportation, housing, education, social and child protection and health infrastructure

PUBLIC –PRIVATE PARTNERSHIPS

Establish partnerships which precede consultation and acceptance by the local community or other stakeholders.

- When accessing the PPP, it is advisable that the public sector is responsible for the management and the preparation and delivery of services, and thus responsibility for the quality of the process of preparation and delivery, and final quality of services. Practice shows that you should avoid transactions with shared governance.
- The contribution of the public sector should focus on the process of planning, financing and partnership on other political and normative arrangements that are necessary for a functional partnership.
- Partnerships should be established for the medium projects, not only for large projects, relatively speaking.
- The public sector needs to maintain and consistently implement control over the implementation of the PPP, guaranteeing a high level of accountability of the partnership to the public.
- The public sector also needs to ensure that political risk to be minimized.

LOCAL STRATEGIC PLANNING AND PREPARATION OF PROJECTS

- In preparing the budget of the municipality to provide funds for further statistical studies aimed at preparation of strategies, action plans and priority projects of the Municipality in the next three years, and then to initiate pooling funds with interested donor.
- Strengthening the statistical information system in the community by developing local Cadastre communal infrastructure.
- External stakeholders should be invited more frequently at the beginning of the process of preparation of strategies, action plans and projects, i.e. the evaluation of the available database and analysis, because in that way at the very beginning, through exchange opinions a higher degree of agreement about what the priority issues and problems are would be achieved and the best approach for processing and finding practical solutions would have been chosen.
- System planning and preparation of strategies, action plans and projects should be fully established and governed by appropriate internal act (instructions / rules). A clear typology and categorization of strategies, action plans and projects should be made, in accordance with the areas in which the transfer of executive powers and state organizational units of the municipal administration is directly responsible for the coordination of their preparation. The internal law should distinguish liability arising from planning role of the municipal administration of the role of producer and supplier of direct services from local institutions (schools, institutions of culture, kindergartens and territorial fire brigade) and public communal services (including the production and management for their distinctive and

predominantly technical and specialized information.) The municipal administration should retain the coordination of the preparation of strategies, action plans and projects, and thus responsibility for achieving high (optimal) degree of internal exchange of information through effective internal communication facilities with the municipal administration.

- As a priority, and in accordance with the opportunities to continue with training related to:
 - o best practices for clear and meaningful linking projects policies
 - o preparation of feasibility studies (feasibility studies)
 - o preparation of an assessment of environmental impacts;
 - o identification of the condition that anew (zero state);
 - o definition of supervisory and management arrangements of the projects;
 - o designing systems to support management, implementation, communication and accountability;
 - o budgeting.
- All information available to the municipality are relevant to the formulation of strategies and policies and should be kept until the time of their update, primarily a function of regularly comparing the results with planned to review the processes for developing strategies, action plans and projects and the subsequent development strategies, action plans and projects. The municipal budget for subsequent years should provide funds for updating the most relevant existing data and for appropriate storage, and then to initiate pooling funds with interested donor.
- Municipal system for consultation ought to be explained to the general public, and especially the tools for communication and exchange of views, access to information and feedback regarding the fetters (not) accepted suggestions and opinions. It is desirable to prepare a proper manual for citizens.

INCLUSION OF VULNERABLE GROUPS WITH A FOCUS ON UNEMPLOYED YOUTH

- **Assessment of the local labour market with emphasis on the space for addressing youth employability and participation in local service delivery.**
- **Establishment of institutional mechanisms for youth engagement including the Youth Social Entrepreneurship Program (YSEP).**
 - Establishment of YSE initiatives through trilateral partnerships: youth and youth organizations/local officials/private sector
 - Local youth forum/council to be created with an aim to reflect the local views of the youth on the most critical needs and in that way to contribute to the local and national policy frameworks and demonstrate programming

and implementation of innovative services at local level.

- Translation of the YSEP into an adequately budgeted Municipal Program. In that way, sustainability of the YSEP will be secured, the municipalities will allocate a portion of funds for youth related activities and functioning of the local youth participatory bodies.
- **Formation of social partnerships for inclusive youth service delivery**
 - Preparation of pilot projects to test and promote inclusive service delivery and outreach to youth and other vulnerable groups through social enterprise as a product of the social partnerships between local authorities, civic and private actors.
 - Support the implementation of the projects through Small Grants Scheme that brings together central and local-government resources matched with contributions from the private sector to advance corporate social responsibility with a long-term goal beyond the project cycle of sustainable financial commitment to youth action and the provision of social services.

GOOD GOVERNANCE

- An all-inclusive local governance platform for integrated community based development to be created by:
 - Mapping the relevant stakeholders representing the national and local government, the existing communities, private sector and the civil society, the structural relationships and modalities of cooperation among them and their governance related capacity needs (in particularly of the vulnerable communities);
 - Preparation and delivery of a tailor made capacity development program for an all-inclusive governance and community based local and regional development;
 - Involving the local communities and particularly the most vulnerable groups in the processes
 - Development of action plan to improve the integrated local governance system

FIGHT AGAINST CORRUPTION

- Completion of the ISO certification process for quality management
- Undertaking an integrity assessment to identify factors that favour or might favour corruption. Based on this, recommendations will be provided on what could be done to mitigate the corruption effects and to ensure delivery of transparent and accountable services at local level.
- Introduction of integrity systems

- Capacity-building to prevent corruption
- Engaging the citizens, civil society organizations and media in innovative activities for preventing corruption and improving governance processes

BUILDING CAPACITY FOR COOPERATION WITH THE STAKEHOLDERS

- Develop an internal Guide/Rulebook on communication and consultations with the public and develop and deliver an appropriate training module for the application thereof by way of using the published manuals on the implementation of the Law on Free Access to Information.
- Develop a Guide for the citizens on how to use the tools for communication and exchange of opinions, access to information and feedback with regard to (not) accepted suggestions and opinions
- Establish a Municipal Service Centre. The Citizens/Municipal Service Centres (MSCs) should be the primary access point of the citizens in regard to the municipal administration and the other final providers of the services. A very important issue that is going to be touched with the introduction of the concept of the MSCs is the responsiveness of the administration. Responsiveness is now considered, not only in Europe, as a key factor in determining the value of public services to citizens. The establishment of MSCs will give the opportunity to the municipalities to become more outward-looking. Furthermore MSCs are bringing a change in the public sector, by changing the relationship between the citizens, public servants and elected officials. Important issues to be addressed include the determining who are the clients in the system, what are the consultation mechanisms, the setting of service standard, the provision of information to citizens, the provision of choice and the development of complaint and readdress mechanisms

LOCAL ENERGY MANAGEMENT AND EFFICIENCY

- **Screening of the relevant local/regional civil society and other actors** who have wide networks, good reputation and are able to mobilize youth and other specific vulnerable groups and trigger behavioural change. Identified actors would be potential partners to pilot initiatives in cooperation with the local governments for improvement of environmental governance and implementation of social marketing campaigns.
- **Design and implementation of capacity development program** on the following topics:
 - Balancing environmental protection and local economic development objectives ;
 - Local energy management, climate change mitigation and adaptation, management of natural resources and disaster risk reduction;

- Environmental protection awareness raising through social marketing campaigns;
- Through participatory approach and active involvement of communities, innovative and inventive **social marketing campaigns** for climate change mitigation and adaptation with special attention to energy efficiency in the pilot municipalities shall be designed.

The campaigns shall rely on youth - community volunteers able to engage their neighbours in peer-to-peer dialogues about opportunities and benefits of energy efficiency, through application of different **participative approaches** such as one-to-one marketing, focus groups, direct mail etc. They will serve as role models and community change agents.

In addition, the social marketing campaigns shall be designed to contribute for **gender mainstreaming** and introduction of behavioural change.

- Energy efficiency audit and preparation of technical documentation for energy efficient reconstruction of the public buildings of the municipal administration and the local institutions (schools, kindergartens, cultural and sport and recreation objects, etc)

EDUCATION

- To apply good governance standards in the education sector
- Organize public campaign on effective, respectful to multicultural values, education on municipal level
- Organize awareness raising campaign to de-stigmatize minority communities, especially Ethnic Roma
- Adapt the curriculum (the 30% allowed by law) to embrace multicultural and social inclusion values
- Update education related information on the municipal web site regularly
- Organize public debates on education relevant topics
- Encourage regular publication of all school based decisions (especially the budget and related execution reports) on the school bulletin board

APPENDIX

USER SATISFACTION SURVEY

STRUCTURED QUESTIONNAIRE

No. _____

This questionnaire is an integral part of the project "Citizen's response for improvement of local policies" which is implemented by South East European University (SEEU), UNDP and your municipality.

The purpose of this questionnaire is to obtain statistically valid data about citizen perception regarding the provision of the decentralized local services in your municipality.

The results of this questionnaire will be the basis for improving planning, allocation of resources, and improving the policy making process in your municipality

The questionnaire is anonymous

I. DEMOGRAPHIC DATA OF THE RESPONDENT

1. Sex

1. Male
2. Female

2. Ethnicity

1. Ethnic Macedonian
2. Ethnic Albanian
3. Ethnic Turkish
4. Ethnic Roma
5. Ethnic Serbian
6. Ethnic Vlachs
7. Ethnic Bosnian
8. Other _____

3. Residence :

4. Age

1. 18-25
2. 26-33
3. 34-41
4. 42-49
5. 50+

5. Employment status

1. Employed in the public sector
2. Employed in the private sector
3. Employed in the civil society organizations (NGO)
4. Farmer
5. Housewife
6. Retired
7. Pupil/ Student
8. Unemployed
9. Other _____

6. Education

1. Incomplete primary education
2. Completed primary education
3. Completed secondary education
4. Higher education
5. Completed postgraduate studies (Master's or doctorate)

7. Number of family members (circle one of the following options)

1. Up to 2 members
2. From 3 to 4 members
3. From 5 to 6 members
4. More than 6 members

8. Economic status (net monthly income of your family in 2011) :

1. Up to 9000 denars
2. From 9001-15000 denars
3. From 15001-21000 denars
4. From 21001-27000 denars
5. From 27001-35000 denars
6. From 35001-41000 denars
7. More than 41001 denars

II. QUESTIONS ABOUT THE QUALITY OF LIFE IN THE MUNICIPALITY AND SATISFACTION WITH MUNICIPAL SERVICES

9. Quality of life in my municipality

Please choose one of scores of different spheres of quality of life in your municipality (circle one of the numbers)	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. How would you rate your municipality as a place to live?	1	2	3	4
2. How you would rate your municipality as a place for raising your children?	1	2	3	4
3. Evaluate the quality of life in your municipality!	1	2	3	4
4. How would you evaluate your municipality as a place for elderly citizens?	1	2	3	4
5. How would you rate your municipality as a place for vulnerable groups ²⁵	1	2	3	4
6. How would you rate employment opportunities in your municipality?	1	2	3	4
7. How would rate safety in your community?	1	2	3	4

10. Circle three areas of local competencies in which the municipality has had the biggest problems in the last 3 years!

1. Water management
2. Transport
3. Local Economic Development
4. Environment
5. Construction and maintenance of the local roads

²⁵ *Vulnerable categories (children with special needs, homeless children, homeless persons, persons with special needs, persons with HIV, older persons, retired persons, displaced persons, persons from rural communities, unemployed persons, drug users, Ethnic Roma community, victims of family violence, social assistance beneficiaries)*

6. Communal services, sanitation and waste management
7. Primary education
8. Secondary education
9. Kindergartens
10. Urbanism
11. Culture
12. Sport
13. Health
14. Other _____

III. SATISFACTION OF MUNICIPAL SERVICES – ACCORDING TO AREAS OF COMPETENCES

11. Education- Please rate the education services in the area of education

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Quality of teaching in primary schools	1	2	3	4
2. Quality of teaching in secondary schools	1	2	3	4
3. The quality of educational infrastructure (buildings, inventory, equipment)	1	2	3	4
4. Organizing transportation of students	1	2	3	4
5. Food and lodging in dormitories	1	2	3	4
6. Overall rating for Education	1	2	3	4

What should be the priority of the municipality in the next 12 months in education?

12. Should the concept of integrated education²⁶ be implemented in your municipality?

1. Yes 2. No 3. I don't have an opinion

13. Urban Planning – Evaluate the services of urban planning in your municipality

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Adopting a general, detailed urban plans for village and urban plans for settlement	1	2	3	4
2. Local public roads	1	2	3	4
3. The procedure for obtaining construction permits	1	2	3	4
4. Urban Planning (General Evaluation)	1	2	3	4

What should be the priority of the municipality in the next 12 months in "Urban planning"?

14. Do you think that fees for urban planning (communal taxes and fees for construction land) are high?

1. Yes 2. No 3. I don't have an opinion

²⁶ *Integrated education- Joint classrooms from different communities and learning the language of the others*

15. Local economic development - Evaluate the services of local economic development in your municipality!

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Supporting the development of small and medium enterprises and entrepreneurship at the local level	1	2	3	4
2. Promoting self-employment in your municipality	1	2	3	4
3. Local Economic Development (general assessment)	1	2	3	4

What should be the priority of the municipality in the next 12 months in local economic development?

16. Do you think that there is a large percentage of unemployment in your municipality?

1. Yes 2. No 3. I don't have an opinion

If the answer is yes then what are the reasons for unemployment in your municipality?

17. Do you think that local governments adequately treat the issue of unemployment?

1. Yes 2. No 3. I don't have an opinion

18. Protection and rescue of citizens – Evaluate the services in the area of protection and rescue of citizens in your municipality?

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
Fire department services	1	2	3	4

What should be the priority of the municipality in the next 12 months in the area of protection and rescue of citizen"?

What is your perception of key risks from disasters and other risks (industrial accidents, etc.)?

What is your opinion on the influence of the climate change?

19. Environmental protection - Evaluate the services in the area of environmental protection in your municipality?

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Protection and prevention of soil pollution (pesticides, sewage, etc.)	1	2	3	4
2. Protection and prevention of water pollution	1	2	3	4

3. Protection and prevention of air pollution	1	2	3	4
4. Environment protection	1	2	3	4
5. Services for energy efficiency (energy saving, usage of renewable energy sources - wind, sun, etc.)				
6. Services in the field of environmental protection	1	2	3	4

What should be the priority of the municipality in the next 12 months in the field of environmental protection?

20. Social and Child Protection - Evaluate the services in social and child protection in your municipality!

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Kindergartens	1	2	3	4
2. Elderly homes	1	2	3	4
3. Social care for individuals and children with special needs	1	2	3	4
4. Social care for children without parental care	1	2	3	4
5. Social care for children with education and social problems	1	2	3	4
6. Social care for children with one parent	1	2	3	4
7. Social care for persons addicted to drugs and alcohol	1	2	3	4
8. Social and child care (general assessment)	1	2	3	4

What should be the priority of the municipality in the next 12 months in "Social and Child Protection"?

21. Who would be the most adequate provider of these services:

1. Central government which is an ongoing provider
2. Local government
3. Civil society institutions
4. Private sector
5. Public –private partnerships

22. Communal services - Evaluate the communal utility services in your municipality?

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Water supply	1	2	3	4
2. Sewerage network	1	2	3	4
3. Wastewater management	1	2	3	4
4. Collection and treatment of solid waste	1	2	3	4
5. Clean public places	1	2	3	4
6. Cemeteries	1	2	3	4
7. Parks	1	2	3	4
8. Lights in the public spaces	1	2	3	4
9. Public markets	1	2	3	4
10. Public parking	1	2	3	4
11. Communal services (general assessment)	1	2	3	4

What should be the priority of your municipality in the area of communal services in the next 12 months?

23. Sports and Recreation - Evaluate the services in the field of sport and recreation in your municipality

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Implementation of sports and recreational activities of citizens	1	2	3	4
2. Maintenance and construction of sports facilities	1	2	3	4
3. Support for sport associations	1	2	3	4
4. Sports and Recreation (general assessment)	1	2	3	4

What should be the priority of the municipality in the next 12 months in the area of Sports & Recreation?

24. Culture - Evaluate the services in the area of culture in your municipality!

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
1. Delivery of services from cultural institutions (museums, libraries, houses of culture) and projects	1	2	3	4
2. Preservation of folklore, customs; traditional crafts and similar cultural heritage	1	2	3	4
3. Organization of cultural events	1	2	3	4
4. Encouraging different forms the art work	1	2	3	4
5. Culture (general assessment)	1	2	3	4

What should be the priority of the municipality in the next 12 months in the area of culture?

25. Health - Evaluate services in the area of healthcare in your municipality!

Service / Rating	Satisfied	Partially satisfied	I am not satisfied	I don't have an opinion
Healthcare (general assessment)	1	2	3	4

What should be the priority of the municipality in the next 12 months in the area of health?

26. Who would be the most adequate provider of the above mentioned service:

1. Central government which is an ongoing provider
2. Local government
3. Civil society institutions
4. Private sector
5. Public –private partnerships

27. In which of the following areas the municipality achieved the best results (circle one of the alternatives)

1. Water management
2. Transport
3. Local Economic Development
4. Environment
5. Construction and maintenance of the local roads
6. Communal services, sanitation and waste management
7. Primary education
8. Secondary education
9. Kindergartens
10. Urbanism
11. Culture
12. Sport
13. Health
14. Other _____

28. In which of the areas the municipality showed the poorest results (circle one of the alternatives)?

1. Water management
2. Transport
3. Local Economic Development
4. Environment
5. Construction and maintenance of the local roads
6. Communal services, sanitation and waste management
7. Primary education
8. Secondary education
9. Kindergartens
10. Urbanism
11. Culture
12. Sport
13. Health
14. Other _____

IV. LOCAL SOURCES OF REVENUES FOR THE FINANCING THE DELIVERY OF LOCAL SERVICES

29. What is your opinion on local taxes:

	Very high	Considerably high	Low	I don't have an answer/I don't know
1. Tax on property	1	2	3	4
2. Tax on heritage and gifts	1	2	3	4
3. Taxes on property sales	1	2	3	4
4. Fees on communal services: water management, garbage	1	2	3	4

30. Do you think your municipality has sufficient financial resources to finance the services in the areas listed below?

Area	Yes	No	I don't have an answer
1. Education	1	2	3
2. Urban planning	1	2	3
3. Environment protection	1	2	3
4. Communal services	1	2	3
5. Sport and recreation	1	2	3
6. Culture	1	2	3
7. Local economic development	1	2	3
8. Protection and rescue of the citizens	1	2	3
9. Health	1	2	3
10. Social and child protection	1	2	3

31. To what extent do the following statements apply to your municipality?

Statement	Entirely	Partially	Don't apply	I don't have an answer
1. The municipality spends the money according to the principle of the economization	1	2	3	4
2. Municipality is managing the finances according to the earmarks on the budget	1	2	3	4
3. Municipality has good cooperation with agencies and institutions for providing the services for citizens	1	2	3	4
4. Offers public goods for improving the well-being of the citizens	1	2	3	4

Would you support an initiative for financial contribution through referendum, if yes, in which area and for which problem?

Would you support use of opportunities for long-term indebtedness of the municipality for which purpose, i.e. the area?

V. PRINCIPLES OF GOOD GOVERNANCE (TRANSPARENCY, VOICE AND PARTICIPATION, ACCOUNTABILITY, EFFICIENCY AND EFFECTIVENESS)

32. What is your impression of employees of the municipal administration?

Features/Assessment	Satisfied	Partially satisfied	Unsatisfied	No opinion
1. Knowledge and competence	1	2	3	4
2. Implementation of the tasks with integrity	1	2	3	4
3. Efficient implementation of the tasks	1	2	3	4
4. Client oriented service	1	2	3	4
5. General assessment	1	2	3	4

33. Please analyze the following conclusions and circle the number that is closest to your opinion and position:

Conclusion	Agree	Neutral	I don't agree	I don't have an opinion
1. I am pleased with the way the municipality is managed	1	2	3	4
2. I am pleased with the way public enterprises are managed	1	2	3	4
3. Mayor and Council consider the views and opinions of citizens	1	2	3	4
4. Representatives of my municipality have a responsible approach towards people with special needs	1	2	3	4

5. Representatives of the municipality undertake measures to prevent discrimination of non-majority ethnic communities	1	2	3	4
6. Representatives of the municipality undertake measures to prevent gender discrimination	1	2	3	4
7. Citizens of the municipality are informed about the activities and plans of the municipality	1	2	3	4

34. Who are the sources to obtain information about the municipality (you can circle more alternatives)

1. Newsletter of the municipality
2. Web portal of the municipality
3. Local electronic mediums
4. Local newspapers
5. Information boards in the municipality
6. Official gazette in the municipalities
7. Information boards in the urban neighbourhoods
8. Debates and public meetings
9. Other: -----

35. Regardless of the previous answer, which channel information you consider the most useful (most efficient): _____

36. Did you contact the municipality representatives in the past 12 months?

	Yes	No
1. I attended municipal council meetings	1	2
2. I attended forums organized by the municipality	1	2
3. I attended public debates organized by the municipality	1	2
4. I have contacted the Mayor	1	2
5. I have contacted the Council members	1	2
6. I have attended activities organized by the municipality	1	2
7. I have been engaged as a volunteer in projects organized by the municipality	1	2

8. I have participated on a Referendum organized by the municipality	1	2
9. I have participated on public debates on municipal budget	1	2
10. I have contacted the administration of the municipality	1	2
11. I have contacted public enterprises	1	2

37. Are you satisfied with the involvement of citizens in decision-making process in the municipality?

Features/Assessment	Satisfied	Partially satisfied	Unsatisfied	No opinion
1. Strategies	1	2	3	4
2. Urban plans	1	2	3	4
3. Municipality budgets	1	2	3	4
4. Programs	1	2	3	4
5. In general, citizen participation in the decision making process	1	2	3	4

38. Did you face with corruption in your municipality?

		Yes	No	I don't have an opinion
1	Municipal administration	1	2	3
2	Public enterprises	1	2	3

39. Have you ever filed appeals and complaints to the municipality and/or public enterprises?

		Yes	No
1	Municipal administration	1	2
2	Public enterprises	1	2

40. Did municipal authorities accept your appeals and complaints?

1. Yes
2. No

41. How often do the Mayor and the municipal administration provide information about the budget expenses?

1. Once a year as a part of yearly report
2. For major investments
3. About all municipal investments

Have you ever been involved in citizen initiatives, debates or local referendum, if yes, for which problem and area?

Is your urban/local neighbourhood functional?

42. Is the principle of justice applied during the process of employment in your municipality?

1. Principle of justice and transparency are applied
2. Dominated by family connections
3. Dominated by party connection
4. I don't have an answer

43. Does the municipal administration use the local languages in written and oral communication with citizens?

1. Yes
2. No
3. I don't have an answer

44. Satisfaction with the work of the mandatory participatory bodies

Participatory bodies/ Assessment	S atisfied	P artially satisfied	Not satisfied	I don't have an opinion
1. The work of the Commission for inter-community relations	1	2	3	4
2. The work of the Council for protection of the consumers	1	2	3	4
3. The work of the Commission on equal opportunities between men and women	1	2	3	4

45. Would you participate in similar surveys on citizen satisfaction with local services?

1. Yes
2. No

THANK YOU!

Municipality survey

STRUCTURAL QUESTIONNAIRE

This questionnaire is an integral part of the UNDP project "Citizen's response for improvement of local policies", realized by South East European University and by your municipality.

The purpose of this questionnaire is to obtain statistically valid data from the municipality for the service delivery at local level.

The results of this questionnaire will be the basis for improving of the planning, the allocation of the resources, and the improving of the process of creating public policies at local level in your community.

1. Demographic indicators: The total number of population in the municipality is in the interval:
 1. Up to 5.000 citizens
 2. 5.001-10.000
 3. 10.001-20.000
 4. 20.001-50.000
 5. 50.001-100.000
 6. More than 100.000 citizens

2. What territory covers your municipality (km²)? _____

3. What is the number of employees in the municipal administration?
 1. Number of full-time employees _____
 2. Number of part-time employees _____
 3. Number of employees engaged by authorship contract _____

4. What is the perception of the municipality in terms of the impact of decentralization on the municipal administration?

	Completely agree	Agree	Neither agree, nor disagree	Disagree	Completely disagree
The municipal administration services are improved with the process of decentralization					

5. Is there a need to improve the quality of municipal services?

YES

NO

If yes, in which areas do the quality of municipal services need to be improved?

Area	Specify the preferred aspect of the local service that you would like to be improved.
Education	
Urban planning	
Environment	
Communal services	
Sport and recreation	
Culture	
Local economic development	
Protection and rescue of citizens	
Health	
Social Care and Child Protection	

6. In which area do you see problems in the municipal services (multiple answers possible)?

1. Management-capacity / skills of employees

2. The legal framework

3. The communication between the local and the central government

4. The communication between the local government and the citizens

5. Other _____

7. Specify the priority areas for capacity building - training in your municipality: _____

8. What is the number of registered unemployed persons in the municipality?

9. Does the municipality adequately treat the problem of unemployment?

Yes No Partially

If not, or partially, please specify the reasons for it:

10. What is the amount of the municipal budget?

	2009	2010	2011	2012
Denars				
Euros				

11. What is the contribution of each type of municipal revenues (in percentage)?

	2009	2010	2011	The projections for 2012
Tax on property				
Tax on inheritance and gifts				
Tax on property sales				
Other local taxes established by law				
Communal taxes				
Administrative taxes				
Other local taxes established by Law <i>(please specify if any)</i>				
Compensation for construction land preparation				

Fees for communal activities				
Fees for spatial and urban plans				
Other local fees established by Law <i>(please specify if any)</i>				
Income from rent				
Income from interest				
Income from sales of property				
Revenues from grants				
Revenues from fines stipulated by law				
Other income from self-contribution				
Other revenues established by law <i>(please specify if any)</i>				
Personal Income Tax				
Value Added Tax				
Earmarked grants - Education				
Earmarked grants - Culture				
Earmarked subsidies - Child protection				
Capital Grant - Roads				
Capital subsidies - Water Supply and Sanitation				
Block grants - education				
Block grant - culture				
Block grant - Child Protection				
Grants for delegated authority (specify the delegated authority)				
Domestic borrowing				
Foreign borrowing				
Budget reserve				

12. What is the state capital investment in the local infrastructure?

<i>In percentages</i>	2009	2010	2011	Projections for 2012
Water supply				
Communication				
Local economic development				
Environment				
Construction and maintenance of local roads				
Social care and Child protection				
Communal services - sanitation and waste management				
Primary education				
Secondary education				
Kindergarten - children in preschool				
Urbanism				
Culture				
Sport				
Health care				
Protection and rescue of people and goods				

13. What is the contribution of each type of municipal expenditures?

<i>In percentages</i>	2009	2010	2011	Projections for 2012
Currently-operating expenditure				
Capital expenditure				

14. What is the participation of functional expenditures to total municipality expenditures (in percentage)?

<i>In percentages</i>	2009	2010	2011	Projections for 2012
Water supply				
Communication				
Local economic development				
Environment				
Construction and maintenance of local roads				
Social care and Child protection				
Communal services - sanitation and waste management				
Primary education				
Secondary education				
Kindergarten - children in preschool				
Urbanism				
Culture				
Sport				
Health care				
Protection and rescue of people and goods				

15. Do you think that your municipality has sufficient financial resources for the areas listed below?

	Yes	No	Partially
Education			
Urban planning			
Environment			
Communal services			
Sport and recreation			
Culture			
Local economic development			
Protection and security for citizens			
Health care			
Social care and child protection			

If not, or partially, please list the key reasons for the insufficiency of funds

16. Has the municipality in the last 3 years faced any financial instability (irregularities in financial performance, untimely payment of debt, blocked account or exceeding the maximum limits on borrowing established by law) and how many times?

17. What are the revenues of the municipality in terms of:

	2009	2010	2011
GDP			
The revenues of the municipality as a percentage of GDP			
Public revenue			
The revenues of the municipality as a percentage of public revenue			

18. To what extent (in %) of the total amount, your municipality collects the following taxes / fees / revenues?

Type of tax / fee / income	Percentage of funds collected for 2009 (as% of total funding projected)	Percentage of funds collected for 2010 (as% of total funding projected)	Percentage of funds collected for 2011 (as% of total funding projected)
Tax on property			
Tax on inheritance and gift			
Tax on sales of property			

Other local taxes established by Law			
Communal fees			
Administrative fees			
Other local taxes established by law			
Fees for arranging land			
Fees for communal activities			
Fees for spatial and urban plans			
Other local fees established by law			
Income from rent			
Income from interest			
Revenues from sale of property			
Income from donations			
Revenues from fines stipulated by law			
Other income from self-contribution			
Other revenues determined by law			

19. Is the allocation of capital grants efficient and is it following the real and acute problems of the municipality?

	Yes	No	Partially
Capital Grant - Roads			
Capital subsidies - Water Supply and Sanitation			

If not, or partially, please list the key reasons for it:

20. Do you think that municipality spends its budget economically?

	To a large extent	Partially	Not at all
Spends the budget funds economically			
Spends the budget funds with according to the purpose			

Based on which indicators the municipality assesses the above responses:

21. Do you think that the model of determination and allocation of grants is appropriate?

Yes No

22. If not, where do you locate the defects (indicators according to which the funds are determined, the formula for allocation, the efficiency of determination, and the participation)?

23. Is there a framework for debt management in your municipality, oriented towards the management of risk in order to measure the costs and risks?

Yes No

If NO, please state the key reasons for it:

24. Are there any policies and plans for debt management and funds prepared by the municipality?

Yes No

If NO, please state the key reasons for it:

25. Have you implemented other activities related to the borrowing (as a strategy for credit ratings, for example)?

Yes No

If NO, please state the key reasons for it:

26. Are you currently prepared to make a decision to take on debt for any capital investment?

Yes No

If NO, please state the key reasons for it:

27. Do you feel ready to issue municipal bonds and to develop specific techniques for debt management, as assessment of borrowing capacity and alternative structures of borrowing?

Yes No

If NO, please state the key reasons for it:

28. Is your municipality interested in implementing the standards ISO / KAF and standards for obtaining an international credit rating?

Yes No

If NO, please state the key reasons for it:

29. What describes best the economy in your municipality in the last 3 years?

- 1) Fast Growth
- 2) Moderate Growth
- 3) Poor growth
- 4) No growth

30. Which of the following entities is the most active in promoting the economic development of your municipality?

- 1) The local government
- 2) The civil society
- 3) The private sector
- 4) The central government

31. Do you think that your municipality provides and promotes the following factors that support the business development?

Factors that enable business	Provides it in large scale	Provides it in small scale	Does not provide it	Does not provide it at all
Effective tax administration				
Quickly issuing of work permits and licenses				
Permanent electricity power supply				
Permanent water supply				
Solid waste disposal				
Developed telecommunication infrastructure				
Police protection				
Fire protection				
Continuous compliance with the regulations for planning and urbanization				
Quality educational services and infrastructure				
Quality health and social care and infrastructure				
Support of the development of small and medium enterprises and entrepreneurship at the local level				
Promotion the self-employment in the municipality				
Existence of local policies for local economic development				

32. How do you rate the availability of funds in your municipality for the preparation and implementation of local policies, strategies, programs and plans in the areas listed below?

Area	Sufficient funds	Insufficient funds	If insufficient, what are the main reasons for this?
Education			
Urban planning			
Environment			
Communal services			
Sport and recreation			
Culture			
Local economic development			
Protection and rescue of citizens			
Health care			
Social care and child protection			

Education

33. Please specify the competencies in the field of education that your municipality currently implements:

a) Establishment, funding and administering of primary and secondary schools in collaboration with central government

Yes No

b) Organizing school transportation and food

Yes No

b) Accommodation in dormitories

Yes No

34. Specify primary and secondary schools that are established in your municipality and the number of students in the elementary and the secondary education:

35. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

ENVIRONMENT

36. Please specify the competences in the area of environment that your municipality currently implements:

- | | | |
|---|------------------------------|-----------------------------|
| - Measures for protection and prevention of pollution of water, air, and soil | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| - Protection of nature | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| - Protection against noise and ionizing radiation | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| - Services for energy efficiency | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

37. How many certified environmental inspectors are employed in your municipality?

38. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

LOCAL ECONOMIC DEVELOPMENT

39. List the competencies in the field of local economic development that your municipality currently implements:

- | | | |
|--|------------------------------|-----------------------------|
| - Planning the local economic development | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| - Determination of structural and development priorities | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| - Implementation of local economic policy | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| - Support of the development of small and medium enterprises and entrepreneurship at local level | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

- Participation in establishing and developing the local network of institutions and agencies

Yes No

- Building partnership for LED (same as previous)

Yes No

40. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

CULTURE

41. Is there a local institution in the field of culture in the territory of your municipality?

Yes No

If YES, specify the cultural institutions in your municipality:

42. List the competencies in the areas of culture that your municipality currently implements:

- Institutional and financial support of cultural institutions and projects (just the municipalities with transferred competencies should answer) Yes No
- Preservation of folklore, customs; traditional crafts and similar cultural heritage Yes No
- Organizing cultural events Yes No
- Encouragement different forms of art work Yes No

43. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

SOCIAL CARE AND CHILD PROTECTION

44. Please list the competencies in the field of social and child protection that your municipality currently implements:

- Kindergartens and retirement homes (ownership, financing, investment and maintenance) Yes No
- performing social care for disabled people Yes No
- performing social care for children without parental care Yes No

- performing social care for children with educational and social problems
Yes No
- performing social care for children with special needs
Yes No
- performing social care for children from families with single parent
Yes No
- performing social care for abandoned children
Yes No
- performing social care for people exposed to social risk
Yes No
- performing social care for persons addicted to drugs and alcohol
Yes No
- raising awareness of the citizens
Yes No
- Care homes for persons exposed to social risk
Yes No
- Care and education of the pre-school children
Yes No

45. Does your municipality apply another ways of conducting the competences in this area?
Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

COMMUNAL SERVICES

46. Please specify the responsibilities in the area of the communal services that your municipality currently implements:

- | | |
|---|--|
| - Water supply | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Sewerage | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Wastewater treatment | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Collection and treatment of solid waste | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Public hygiene | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Cemetery | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Public greenery | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Public lighting | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Public markets | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| - Public parking | Yes <input type="checkbox"/> No <input type="checkbox"/> |

47. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, Inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

SPORT AND RECREATION

48. Please specify the competencies in the area of sport and recreation that your municipality currently implements:

- Development of sports and recreational activities for citizens Yes No
- Organizing sports events Yes No
- Maintenance and construction of sports facilities Yes No
- Support sports associations Yes No

49. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

HEALTH CARE

50. Please list the competencies in the area of health that your municipality currently implements:

51. Does your municipality apply another ways of conducting the competence in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

PROTECTION AND RESCUE OF CITIZENS

52. Please specify the competencies in the area of protection and rescue of citizens that your municipality currently implements:

53. Does your municipality apply another ways of conducting the competence in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

URBAN PLANNING

54. Please specify the competencies in the area of urban planning that your municipality currently implements:

- Adopting general, detailed urban plans for villages and urban plans for the settlement

Yes No

- Local public roads

Yes No

- Procedure for obtaining building permits

Yes No

55. Does your municipality apply another ways of conducting the competences in this area?

Yes No

If yes, what form (cooperation with the private sector, inter-municipal cooperation, concession, outsourcing, deinstitutionalization, etc.) and according to which model:

GOOD GOVERNANCE**STRATEGIC PLANNING AND ACTION PLANS**

56. Does your municipality implement a long-term planning and has it adopted the following strategic documents?

Strategy for local economic development

Yes No

Strategy for local development

Yes No

Local agenda 21

Yes No

- General urban plan Yes No
- Local Action Plan for Environment Yes No
- Program to improve the air quality Yes No
- Program for waste management Yes No
- Local Strategy for culture Yes No
- Preferred procurement plan in education Yes No
- Local strategy for sport and recreation Yes No
- Program (or plan) for rescue of citizens and goods Yes No
- Plan for public investment for the development of communal infrastructure Yes No
- Program for poverty alleviation Yes No
- Program for employment Yes No
- Social protection program Yes No
- Program for Child Protection Yes No
- Program to improve fire protection services Yes No
- Program for health protection from infectious diseases Yes No
- Program to promote health prevention and protection Yes No
- Program for citizens with special needs (disabled, abused children; street children, etc...) Yes No

57. Were the processes planned, prepared and conducted by the permanent workgroup / Standing Committee on Strategic Planning? Yes No

58. Are the citizens involved in the processes of strategic planning? Yes No

If YES, specify the instruments of inclusion:

59. Are the local experts involved in the strategic planning?

Yes No

60. Does your municipality cooperate with the central government, the private sector (business sector) and nongovernmental organizations in planning and funding of the preparation of the above programs, which, in fact, are prepared by your municipality?

 Yes No

If YES, please list the programs and areas of cooperation:

61. In which of the following areas the municipality informs the citizens about the policy proposals and seeks feedback on the effect of the policies?

Area	Informs the public about the policy proposals	Seeks feedback on the effect of the policies
Education		
Urban planning		
Environment		
Communal services		
Sport and recreation		
Culture		
Local economic development		
Protection and rescue of citizens		
Health care		
Social care and child		

protection		
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62. How does the municipality inform the citizens about its work?
(multiple answers possible)

	Yes	No	Partially
By the municipality newsletter			
By the municipality website			
By local media			
By local press			
By the municipality bulletin board			
By the municipal newspaper			
By the bulletin board in the neighbourhood or urban community			
By public debates and meetings			
Other: -----			

63. Channels through which the municipal administration informs the stakeholders on various issues

	Budget	Strategies development	Strategies implementation	Action plans development	Action plans implementation	Development of programs / projects	Implementation of programs / projects
Website							
E-mail							
National television and radio							
Local television and radio							
Local print media							
National print media							
Mail							
Conferences, seminars, workshops							
Meetings and consultations							
Telephone							
Other							

67. List three areas in which there were most complaints (appeals, complaints, submissions, etc...) in the last 2 years!

68. How many complaints (appeals, complaints, submissions, etc...) of the submitted were accepted?

69. What is the standard procedure for handling the complaints?

70. Has an audit by the State Audit Office been conducted in your municipality?

1. Yes 2. No

71. Has your municipality appointed an internal auditor?

1. Yes 2. No

72. Are the audit reports publicly available and through which mechanisms?

73. Does the municipal administration use the language of the local community in the written and the oral communication with citizens?

1. Yes 2. No

74. What is your opinion about the Committee for interethnic relationship (compulsory for the municipalities in which at least 20% of the total populations of the municipality, according to the last population census are members of a different ethnic community)?

75. What is your opinion about the work of Council for protection of consumers as a participatory and an advisory body for reviewing questions and determining proposals concerning the service quality of public departments of the municipality?

76. Does your municipality comply with the Law on Free Access to Information?

1. Yes 2. No

77. If yes, do you submit annual reports on implementation of the Law on Commission for the Protection of the Right to Free Access to Public Information?

1. Yes 2. No

78. To what extent do the next statements relate to your municipality?

Statements	To a large extent	Partially	A little	Not at all	No answer
Spends the funds economically	1	2	3	4	5
Spends the funds according to the projected purpose	1	2	3	4	5
Has good cooperation with other agencies and institutions (entities) in providing services	1	2	3	4	5
Provides public goods to improve social welfare	1	2	3	4	5

79. Does your municipality stimulate proactive participation of NGOs in identifying and recording the priorities of municipalities?

1. Yes 2. No

80. Which NGOs is the leading organization that deals with decentralization?

81. What are the local mechanisms and tools to involve vulnerable groups in the processes of local governance, planning, implementing activities and monitoring and evaluation?

82. What are the instruments through which the municipality addresses the gender issues and the issue of minority communities?

83. Does your municipality conduct surveys to measure citizens' satisfaction with local services?

1. Yes 2. No

If YES, specify the areas and the period these surveys were conducted:

THANK YOU!



This study was produced with the technical and financial support from the United Nations Development Programme (UNDP).

It is the first ever study in the country based on citizens' perceptions on quality of social services, carried out in the municipalities of Jegunovce, Cair, Konce and Krusevo.

Its objective is to serve as a basis for improvement of the planning, allocation of resources and creation of public policies at local level.



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