



Strengthening the administrative capacities for implementation of the legal framework for bankruptcy and liquidation of companies



The European Union's Instrument for Pre-accession Assistance IPA, TAIB 2011



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About the Project „Strengthening the administrative capacities for implementation of the legal framework for bankruptcy and liquidation of companies

In order to improve the business environment in Republic of Macedonia, followed by faster closing of the trading companies through bankruptcy proceedings and voluntary liquidation, the European Union with funds from the Instrument for Pre-

Accession Assistance (IPA) on November 20, 2015 started the implementation of project "Strengthening the administrative capacities for implementation of the legal framework for bankruptcy and liquidation of companies." The project is expected to last two years and to be implemented by a consortium led by Pohl Consulting & Associates, in partnership with Ernst & Young.

In this part of the project, the focus is directed towards the harmonization of the existing legal framework for liquidation and bankruptcy and their overall improvement, through counseling, trainings and roundround tables. The Project will tend to contribute for strengthening the country's ability to become a business destination and a market, where the companies that are bankrupt or insolvent will quickly exit the market.

Expected results:

1. Strengthening the institutional capacity of Legal Department (Unit for Bankruptcy) in the Ministry of Economy and related main stakeholders: Chamber of Bankruptcy Trustees and Central Register.

The proposal for reorganization of the Unit for Bankruptcy within the Legal Department of Ministry of Economy will result in Bankruptcy Department with 2 units being able to operate more efficiently and providing a quality output. The employees that will be engaged will improve their skills through continuous trainings and knowledge transfer to perform efficiently their duties that arise from bankruptcy framework legislation.

2. Review of the functions and legal provisions in the current bankruptcy framework and provide Recommendations for Improvement

The recommendations for legislative alignment and harmonization of bankruptcy legislation framework with the best practices from EU member states will be main output result of the project and are expected to be further implemented by the domestic legislator. This will be based on GAPs assessment, recommendations for filling gaps, trainings for implementation of best practices and round tables with relevant stakeholders to build consensus on necessary implementation and legislative improvements.

3. Review of the functions and legal provisions in the current Liquidation framework and provide Recommendations for Improvement.

The recommendations for legislative alignment of the liquidation framework from EU member states will be the main output result of the project and are expected to be further implemented by the domestic legislator. This part of the project shall be focused on streamlining the liquidation process and its overall improvement and development of the current procedure for deletion of non- active companies of the Trade Registry. Trainings for implementation of best practices and round tables with relevant stakeholders are also envisaged in the course of the Project implementation.

