

1) **Fiche to be used for each step:**

The step under review	Adopt laws and bylaws to increase staff motivation and reduce staff turnover, to allow faster career progression based on merit, recruit at a grade that corresponds to qualification and previous working experience of candidates, facilitate later promotion, improve working conditions, i.e. flexible working arrangements, promote mobility, teleworking possibilities, etc. Data will be published on grounds for dismissal of public servants for 100% of dismissals.
Baseline	0(2024)
Deadline of the step	December 2025
Actual results	<p>In 2025, the Ministry of Public Administration (MPA) achieved substantial progress at legislative and institutional level, laying the legal foundation for the implementation of staff motivation and retention measures envisaged under Public Service Reform step.</p> <p>The Ministry of Public Administration has undertaken the following actions:</p> <ol style="list-style-type: none"> 1. As of July 2025, a set of three laws were adopted: The Law on Administrative Servants¹, the Law on Public Sector Employees², the Law on Professional Development and Training of Administrative Servants³, where the retention policy is reflected in several provisions across these laws. Retention-related financial top-up provisions are introduced in the following articles of these laws <ol style="list-style-type: none"> a. Law on Administrative Servants <p>Chapter XII – Salaries, Reimbursements, and Salary Supplements of Administrative Officers:</p> <p>Article 78: <i>Salary Supplement for Retention</i> – Provides financial incentives to retain administrative servants in critical or strategic positions.</p> <p>Article 79: <i>Salary Supplementation for EU and IPA Structures</i> – Aims to retain staff involved in high-priority international cooperation and development projects.</p> <p>Article 80: <i>Financial Compensation for Exceptional Engagement</i> – Encourages retention through recognition of extraordinary work and contributions.</p>

¹ Law on Administrative Servants (Official Gazette of the Republic of North Macedonia No. 144, 17 July 2025)

This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of North Macedonia, and shall start to apply as of 1 January 2027, except for Articles 21 and 22 under Chapter III – Conditions and Classification of Administrative Servants' Job Positions, and Chapter XII – Salaries, Allowances, and Salary Supplements of Administrative Servants, which shall start to apply as of 1 January 2026.

² Law on Public Sector Employees (Official Gazette of the Republic of North Macedonia, No. 144 of 17 July 2025) This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of North Macedonia and will become applicable on 1 January 2027.

³ Law on Professional Development and Training of Administrative Servants (Official Gazette of the Republic of North Macedonia, No. 144 of 17 July 2025) This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of North Macedonia and will become applicable on 1 January 2027.

Chapter III – Organization of the Academy:

Article 10.3: Establishes a Program Council, supporting professional development.

Article 14. 2: Allows administrative officers to serve as paid trainers, promoting retention through recognition and career development.

b. Law on Public Sector Employees

Chapter IX – General Rights, Duties, and Responsibilities in the Public Sector:

Article 26: Introduces the possibility of **remote work**, enhancing job flexibility and satisfaction as a retention measure.

c. Law on Professional Development and Training

Introduces structured mentoring, career development planning, and continuous training, further supporting retention through non-financial incentives. Notably, a training Academy will be established, allowing administrative officers to be hired as **paid trainers** for the first time.

These laws introduce core elements directly responding to the step requirements, including:

- Merit-based recruitment and career advancement;
- Financial and non-financial retention instruments;
- Improved working conditions and flexibility;
- Structured professional development, mentoring, and continuous training.

2. Retention-related legal provisions introduced

- Key provisions introduced through the adopted laws include:
- Salary supplements for retention in critical/strategic positions, such as EU Integration and IPA structures, the Secretariat for Legislation etc;
- Remote work and flexible work arrangements as a retention measure;
- Structured mentoring, career development planning, and training, including establishment of a Training Academy.

These provisions constitute the first formal legal basis for a comprehensive retention policy in the civil service.

In December 2025, a group of Members of Parliament submitted proposals for amendments and supplements to the Law on Professional Development and Training of Administrative Civil Servants⁴, the Law on Administrative Servants⁵,

⁴ Law on Professional Development and Training of Administrative Servants (Official Gazette of the Republic of North Macedonia, No. 252 of December 16, 2025). This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of North Macedonia and will become applicable on 1 January 2027.

⁵ Law on Administrative Servants (Official Gazette of the Republic of North Macedonia No. 252 of December 16, 2025). This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of North Macedonia and shall start to apply as of 1 January 2027.

and the Law on Public Sector Employees⁶. The proposed changes are presented below:

Proposal for a Law Amending and Supplementing the Law on Professional Development and Training of Administrative Servants

The purpose of the proposed amendments was to introduce nomo-technical improvements to the text of the Law, in order to eliminate existing inconsistencies which, upon the commencement of its implementation, could create difficulties both in the adoption of secondary legislation and in the practical application of the Law.

Additionally, the amendments shall establish a clear legal basis for regulating mandatory training for persons who enter employment for the first time as administrative servants, as well as for administrative servants who acquire managerial status. Given that this is a dynamic and evolving area, it is considered more appropriate and practical for these matters to be regulated through secondary legislation.

Proposal for a Law Amending the Law on Administrative Servants

The transitional and final provisions of the Law initially provided that the Law would enter into force on the eighth day following its publication, with application starting on 1 January 2027, while Chapters III (Conditions and Classification of Jobs of Administrative Servants) and XII (Salaries, Allowances and Supplements) were to apply as of 1 January 2026.

Based on conducted analyses, it was determined that the necessary preparatory actions and institutional capacities within the public sector were not fully in place to ensure the effective application of these chapters as of 1 January 2026. Therefore, the proposed amendments provide that Chapters III and XII shall also begin to apply from 1 January 2027.

An exception is made for a limited number of provisions from Chapter XII concerning allowances and supplements, which are proposed to apply from 1 February 2026, as these measures are essential for the retention of highly professional administrative servants and are aligned with the Reform Agenda 2024–2027.

The amendments aim to secure an additional preparatory period for the successful implementation of the Law on Administrative Servants adopted in July 2025, in line with the SIGMA Principles of Public Administration. Consequently, the deadlines for the adoption of secondary legislation are also extended, as further preparatory activities and nomo-technical adjustments are required for full implementation of the Law.

⁶ Law on Public Sector Employees (Official Gazette of the Republic of North Macedonia, No. 252 of December 16, 2025). This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of North Macedonia and will become applicable on 1 January 2027.

Proposal for a Law Amending the Law on Public Sector Employees

Article 47 regulates fixed-term employment in the public sector. The amendment corrects an incorrect internal reference and clarifies that fixed-term employment without a public announcement may be carried out exclusively through referral by the Employment Agency from the register of unemployed persons. Such employment is strictly limited to a maximum of two instances per year and may not exceed 5% of the total number of employees of the institution.

In order to ensure transparency and prevent unjustified fixed-term employment without public competition, the amendment also extends the deadlines for harmonisation of sector-specific legislation, job catalogues, internal systematisation acts, and the adoption of secondary legislation, allowing sufficient time for full implementation of the Law.

Subsequently, it was identified that the provisions related to the entry into force of Article 79 of the Law on Administrative Servants required amendment. As a result, towards the end of December 2025, a group of Members of Parliament submitted an additional amendment to the Law on Administrative Servants⁷, proposing that Article 79 enter into force and apply as of 1 January 2026, instead of 1 January 2027.

Secondary legislation (bylaws) – state of play

- A working group has been established within MPA to prepare all bylaws stemming from the adopted laws.
- Preparation of bylaws is ongoing; finalisation is planned by end-December 2025, with adoption expected by January 2026.

With regard to the publication of data/reports on the grounds for the dismissal of public servants, covering 100% of dismissals, this information will be included in the Annual Report on Public Sector Employees for 2025, which is still under preparation. In accordance with the legal framework, the Government is to adopt this report by the end of March 2026.

JUSTIFICATION

As of July 2025, a set of three key laws was adopted: the Law on Administrative Servants, the Law on Public Sector Employees, and the Law on Professional Development and Training of Administrative Servants, introducing for the first time a comprehensive framework of financial and non-financial retention measures within the public sector. The retention policy was reflected through multiple provisions, including salary supplements for retaining staff in critical and strategic positions, flexible working arrangements, and structured professional development, mentoring, and continuous training.

Due to the amendments introduced to these legislative solutions in the course of 2025, including two amendment packages adopted in December, as well as identified nomo-technical shortcomings and the need for further improvements, the related secondary legislation remained under preparation. The finalisation and adoption of the by-laws were expected in early 2026, while the exact scope of the secondary acts was still subject to ongoing coordination.

⁷ Law on Administrative Servants (Official Gazette of the Republic of North Macedonia No. 266 of December 29, 2025).

<p>Evidence provided</p>	<ul style="list-style-type: none"> - Law on Administrative Servants (<i>Official Gazette of the Republic of North Macedonia No. 144, 17 July 2025</i>) - Law on Public Sector Employees (<i>Official Gazette of the Republic of North Macedonia, No. 144 of 17 July 2025</i>) - Law on Professional Development and Training of Administrative Servants (<i>Official Gazette of the Republic of North Macedonia, No. 144 of 17 July 2025</i>) - Law on Administrative Servants (<i>Official Gazette of the Republic of North Macedonia No. 252 of 16 December 2025</i>) - Law on Public Sector Employees (<i>Official Gazette of the Republic of North Macedonia, No. 252 of 16 December 2025</i>) - Law on Professional Development and Training of Administrative Servants (<i>Official Gazette of the Republic of North Macedonia, No. 252 of 16 December 2025</i>) - Law on Administrative Servants (<i>Official Gazette of the Republic of North Macedonia No. 266, 29 December 2025</i>) - Decision on the Establishment of a Working Group for the Preparation of Bylaws for the Law on Administrative Servants, the Law on Public Sector Employees, and the Law on Professional Development and Training of Administrative Servants;
<p>Checks performed in the verification of the step and related findings</p>	<p>In August 2024, the Ministry of Public Administration launched a campaign under the slogan “All Together for a Professional and High-Quality Public Administration,” within which four public discussions were held on the proposed legislative solutions marking the beginning of public administration reforms. Two public discussions were organized with the Union of Local Self-Government Units of the Republic of North Macedonia where all municipalities were consulted on the draft-laws. The final public discussion was organised by the Ministry of Public Administration at the Legislative House of the Republic of North Macedonia (the Parliament), a venue of key importance for the adoption of legislative solutions, in cooperation with the Parliamentary Committee on Political System and Inter-Community Relations and under the auspices of the National Democratic Institute (NDI).</p> <p>The event brought together participants including members of the Committee, other Members of Parliament, representatives of the academic and expert community, domestic and international non-governmental organisations, civil society organisations, and other institutions affected by these laws. Participants were given the opportunity to discuss the key draft laws aimed at improving the functioning of the public administration.</p> <p>The draft laws were published for the first time on the ENER platform during the public consultations were in process, and the second time, following the conclusion of the public discussions, at the end of December 2024, allowing institutions and the wider public to submit comments, criticisms, and recommendations. After a 30-day consultation period, a process of consolidating comments, aligning them with the initial legislative solutions, and conducting consultations with relevant stakeholders was initiated. After several months, in May 2025, the Ministry of</p>

	<p>Public Administration submitted the draft laws into governmental procedure. Following their approval by the Government of the Republic of North Macedonia, the draft laws entered parliamentary procedure and, after detailed consideration, were adopted by the Assembly of the Republic of North Macedonia on 10 July 2025.</p> <p>Finding: The step is partially progressed but not fully fulfilled within the 2025 reporting period.</p>
Compliance with general principles and DNSH principle	<p>The implementation of the steps does not contravene the general principles outlined in Article 4 and 11(4) of Regulation (EU) 2024/1449 and Article 3 of the Facility Agreement. The implementation of the steps does not contravene the ‘Do No Significant Harm’ principle (DNSH).</p>
Double funding	<p>Technical assistance provided through the SUPRAE project supports analytical and drafting activities only and does not constitute double funding nor overlap with RGF disbursement for fulfilment of this step.</p>
Clear conclusion on the achievement of the step	<p>Not achieved.</p>