



FINANCE **THINK**
OUT OF THE BOX

hr
HR EXCELLENCE IN RESEARCH

ANNUAL REPORT 2024



Finance Think is the only research institute in North Macedonia that acquired the HR Excellence in Research logo, which is a form of accreditation by the European Commission.



HR EXCELLENCE IN RESEARCH

evidence contributor

to the Government Program of Activities

precise

forecasts for the GDP growth, inflation and poverty rates

5

influential and comprehensive Policy Studies

maintained

overall impact

Dear readers

Dear Readers,

In 2024, Finance Think remained steadfast in its mission to provide independent, evidence-based economic analysis that drives meaningful policy change. As economies continue to navigate uncertainty, our research and advocacy efforts have contributed to strengthening economic resilience, fostering transparency, and promoting regional cooperation.

Over the year, we focused on key policy areas that shape economic and social progress. Our work on state aid transparency resulted in the first-ever comprehensive dataset on state aid expenditures in the Western Balkans, serving as a foundation for policy discussions on investment incentives. Findings from this research were presented at the “Race to the Bottom” economic forum, bringing together policymakers and experts to debate strategies for fairer and more effective investment policies.

In the labor market domain, our “Unlocking Female Economic Potential” initiative introduced workplace interventions that enhanced productivity for 50 employees, generating valuable insights for policies aimed at increasing female labor market participation. Simultaneously, our commitment to fiscal transparency was reflected in a comprehensive analysis of local budgets from all 80 municipalities, offering critical insights into public spending and financial accountability.

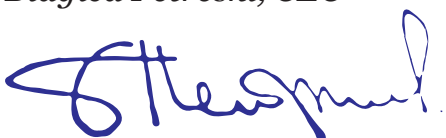
Regionally, Finance Think played an active role in economic integration and crisis response. Our research on food and energy insecurities informed discussions at the “After the Storm” economic forum, where decision-makers explored strategies to bolster economic resilience. Furthermore, our engagement in the Open Balkan Initiative contributed to the advancement of mutual qualification recognition protocols, facilitating smoother labor mobility across the region.

Beyond research, we strengthened our role as a leading voice in economic policy debates, ensuring that our work remains accessible and impactful. Our digital platforms, including the enhanced FISCASST portal, continued to bridge the gap between economic research and public engagement.

Looking ahead to 2025, Finance Think remains committed to delivering high-quality research, shaping data-driven policies, and fostering a transparent and inclusive economic dialogue. We thank our partners, stakeholders, and supporters for their trust and collaboration in advancing these shared goals.

Enjoy reading this Annual Report.

Cordially,
Blagica Petreski, CEO




About Finance Think

Finance Think is a non-profit institute for economic research and policies, founded in 2012, with the aim to enhance the impact of economic, social and development trends and policies on citizens in North Macedonia and the Western Balkans region.



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PROGRAM AREAS

In order to achieve our mission and vision, the focus of work is on seven program areas:

- Growth and development policies
- Poverty, employment and skills
- Fiscal transparency and accountability
- Competitiveness and EU accession
- Gender and income inequalities
- Municipal finance and policies
- Green economy

PRINCIPLES AND VALUES

Finance Think is guided by these principles and values:

Outreach and Inclusiveness

The results and findings of Finance Think's work are disseminated in a way that can be understood by the non-specialists, and thus lead to better public understanding of the economy, policies and reforms.

The products of Finance Think are cutting-edge and innovative.

The think tank provides cooperative and nurtured

professional environment, recognition of all employees as professionals, and does not perform any kind of discrimination.

Transparency and Efficiency

Finance Think manages its operations in a cost-efficient manner, and focuses on outcomes

Research Application, Quality and Ethics

The research agenda is linked and integrated with the mission of the think tank, and the researchers are aligned with the strategic objectives that guide the research environment and the funding mechanisms.

The mission of the institute is accomplished through research, evidence-based and data-driven advocacy, and steering critical debate on democratic and economic processes.

and impact. It gratefully recognizes the support it receives and is keen on delivering value-for-money in the pursuit of its mission.

The policies and procedures of Finance Think are transparent.

The internal and external evaluation of the activities of Finance Think is permanent and transparent.

The research is applied, innovative, oriented to the policies and high-qualified.

The research is interdisciplinary, collaborative and peer-reviewed.

The researchers are focused on their research for the good of the mankind and for expanding the borders of the scientific knowledge, while enjoying the freedom of the thought and expression, as well as the freedom to identify methods for addressing the identified problems, according to the recognized ethical principles and practices.

Our Vision

To steer economic thinking for increased wellbeing tomorrow

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ECONOMIC FORUM

'RACE TO THE BOTTOM' STATE AID TRANSPARENCY TO ATTRACT AND SUPPORT INVESTMENTS IN THE WESTERN BALKANS

20.12.2024 | Hotel Marriott, Skopje | 11:00 - 13:30



Supported by
**OPEN SOCIETY
FOUNDATIONS**
WESTERN BALKANS



KEYNOTE SPEAKER



Elena Calistru
European Economic and Financial Officer



Nera Jusuf
IDRA
Research & Consulting
Kisumu



Antje Wandelt
Director of the Institute for
European Studies (IES)



Gero Dimovski
Director of the Institute for
European Studies (IES)

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1. The economic team

Blagica Petreski, PhD

Chief Economist (Chief Executive Officer)



Blagica is the Co-founder and Chief Economist – Executive Director of Finance Think. Her research interest involves an array of development topics like poverty, unemployment, gender inequalities, as well firms' productivity and competitiveness. She is a committed advocate for effective economic policies as well actively engaged in shaping the public debate on economic issues in the country and the region. Blagica is the founder of Finance Impaq, the policy service platform of Finance Think. She holds a position of Adjunct Associate Professor at the University American College Skopje, teaching Public Economic Policy. In the academic 2022/23, she has been a Fulbright scholar of the US Government, pursuing a research in public finance management at the University of Illinois in Chicago, USA. She is the Research Fellow of the Partnership of Economic Policy since 2023. Currently, Blagica serves a representative in the European Economic and Social Committee, a consultative body of the European Union that represents civil society organizations, and promotes participatory democracy by ensuring they have a voice in the legislative process. She possesses a PhD in Economics from the University Ss. Cyril and Methodius in Skopje, which included research stays at CERGE-EI Prague and the Slovak Academy of Sciences. She is also an alumnus of Young Transatlantic Innovative Leaders Initiative. Blagica received the Award for a Young Researcher of the year granted by the National Bank of Macedonia, as well the Award for best paper on risks and insurance by the Insurance Supervision Agency. Published widely, including 12 papers in prominent peer-reviewed journals indexed on the Web of Science.

Despina Tumanoska, PhD

Program Coordinator



Despina is the Co-founder, a member of the Executive Board and a Program Coordinator at Finance Think. Her research interest involves issues like macroeconomic policies, unemployment, sectoral economic policies, regional integration, applied econometrics and the like. Despina is actively engaged in the public debate on current economic topics. She has a PhD in Economics and an MSc in Finance at the University American College Skopje. In 2012, she won the Annual award for Young Researcher conferred by the National Bank of the Republic of North Macedonia. She actively publishes, including 5 papers in journals indexed on the Web of Science.

Marija Basheska

Economist I

Marija is an Economist I level at Finance Think. She's a graduate from Ss. University Cyril and Methodius University – Skopje, where she majored Economics. With more than 4 years of experience in the civil society sector, Marija has worked on various projects on topics such as youth employment and social innovation. She is passionate about economic, social and environmental issues, with the aim of contributing towards sustainable development. Her interest in research spans over topics such as public and local finance, macroeconomics, welfare economics, financial markets, and institutions as well as behavioral economics.



Bojana Gjuroska

Visualization & Public Image Specialist

Bojana Gjuroska is the Visualization and Public Image Specialist of Finance Think. She has a Bachelor Degree in Industrial Design from the University Ss. Cyril and Methodius in Skopje. She is skillful in using a variety of visualization packages such as InDesign, Illustrator, Acrobat and Dreamweaver. Other areas of her interest include photography and videography.



Sandra Sokolenko-Todoroska

Organizational & Administrative Associate

Sandra Sokolenko Todoroska is an Organizational and Administrative Associate at Finance Think. She is a MSc in Law at the University American College Skopje, and graduated from the University Ss. Cyril and Methodius in Skopje. For a small part of her time, she also works on collecting primary data from areas that include macroeconomic policies, social protection, health care, education, unemployment and the like.



Viktor Andonov

Junior Economist

Viktor Andonov is a Junior Economist at Finance Think. He is a dedicated finance and banking student with a solid foundation in financial analysis and data analysis. Currently pursuing higher education at the University American College Skopje, Viktor has a keen interest in corporate finance, financial markets, and monetary economics. Viktor is proficient in English, holding an FCE Cambridge Degree. He is eager to apply his academic knowledge and develop practical skills in a dynamic research institution.



Permanent collaborators of Finance Think:

Marjan Petreski, PhD

Strategic Adviser

Marjan is the Co-founder and Strategic Adviser at Finance Think. He is a Tenured Professor of Economics at the University American College Skopje and a Non-executive member of the Council of the National Bank of the Republic of North Macedonia. He holds a PhD from Staffordshire University, UK. His research focus is monetary policy, development and labor-market topics, all with a strong focus on transition economies. He published widely in international peer-reviewed journals: 44 articles in Web of Science – indexed journals and 860 citations on Google Scholar. For his research, he received numerous domestic and international awards. Prof. Petreski is the Associate Editor of the South East European Journal of Economics and Business, a prominent regional journal indexed in Journal Citation Reports (IF = 1), as well serves the editorial boards of other scientific journals. Marjan served Career Integration Fellow of CERGE-EI in Prague (2012-2015; 2021-2024), Weiser Fellow of the University of Michigan, USA (2019), visiting researcher to the Universidad de la Republica, Uruguay (2016), Hitotsubashi University, Japan (2016), University of Jyväskylä, Finland (2021), while since 2018 serves Research Fellow of the Partnership for Economic Policies, Canada. He extensively works on the development agenda worldwide in wide geographic coverage, most notably – besides North Macedonia: Kosovo, Bosnia-Herzegovina, Serbia, Montenegro, Switzerland, Portugal, Georgia, Armenia, Kazakhstan, Turkmenistan, Moldova, Palestinian Territories, Lebanon, Myanmar and 14 countries in Western & Southern Africa. He is deeply engaged in the policy dialogue and public debate in the country and the Western Balkan region.



Ana Tomovska-Misoska, PhD

Associate in Education Policy

Ana is an expert in educational policies. She is currently a Full Professor at the University American College Skopje. She obtained her PhD from the School of Education, Queen's University Belfast. Her professional engagements involve a number of research projects in Northern Ireland and the Republic of North Macedonia. Her work has been concentrated on educational reforms, exploring identity building as well as entrepreneurial intentions, organizational culture, human resource management and consumer behavior. She has attended a number of national and international conferences and published in renowned academic journals. She features with 23 articles published in peer-reviewed journal on the Web of Science. She is a permanent collaborator of Finance Think on educational issues and policies.



Maja Parnardzieva-Zmejko, PhD

Associate in Health Economic Policy

Maja is an expert in economic policies related to the health system. She is currently employed with a Insurance Supervision Agency and is an expert-lecturer at the University American College Skopje. She obtained her PhD from the University St. Cyril & Methodius in Skopje. Her research interest include health economics, public finance and debt, financial markets and institutions. She has been a research fellow of the American Studies Foundation (1998), Faculty of Economics, Vienna, Austria (1999), ENA, Paris, France (2002) Georgetown University, USA (2004).



Irena Nikolovska

Associate in Financial and Tax Policies

Irena has an expertise in tax and finance policies. She holds a Master of Business Administration (MBA) from the University American College Skopje. For more than 20 years, Irena is a tax advisor to domestic and foreign clients, author of expert articles, manuals and reports / research studies in the field of taxation, finance, accounting (International Financial Reporting Standards – IFRS), human resources, corporate governance, anti-money laundering (AML), etc., and is a lecturer at seminars, trainings and workshops on topics in the same fields. She is the founder, manager and business consultant of the company for independent research and innovative solutions IRIS Consulting DOOEL Skopje. Since 2019, she has been an independent non-executive member of the Board of Directors of the Central Securities Depository Inc. Skopje.



Stefan Tanevski, MSc

Associate in Data Analytics

Stefan is an external associate at Finance Think dealing with data collection and data analytics. He is also a Teaching Assistant at University American College Skopje. Stefan holds a MSc from University American College and is a PhD candidate at the same university. His research interests include monetary policy, financial markets and labor markets in transition economies. Tanevski currently has 4 publications in peer-reviewed international journals (2 publications in Web of Science – indexed journals). He is also a reviewer for the Southeast European Journal of Economics and Business, indexed in Journal Citation Reports (IF = 1).



Bojan Srbinoski

Associate in Econometric Analysis

Bojan is an external associate at Finance Think in the field of economic analysis and modeling of various social phenomena. He is an assistant professor at the University of St. Kliment Ohridski – Bitola. He holds a PhD in Finance from the University of Carlo Cattaneo (LIUC), Italy, and his research focus is on topics related to financial institutions and markets and the behavior of users of financial services. On the Web of Science, he features with 10 publications. He was a Turkish Government Scholar at Dokuz İle University, Turkey, a visiting researcher at Florida State University, USA, and a recipient of a study residency award at the Rosetta Institute-Sydney, Australia. Uses various economic packages and deals with complex network analyzes.



2. Projects

Finance Think's projects are divided in seven research programs:

GROWTH AND DEVELOPMENT POLICIES

POVERTY, EMPLOYMENT AND SKILLS

FISCAL TRANSPARENCY AND ACCOUNTABILITY

COMPETITIVENESS AND EU ACCESSION

GENDER AND INCOME INEQUALITIES

MUNICIPAL FINANCE AND POLICIES

GREEN ECONOMY

2.1 Growth and development policies

This research program covers a variety of policies and strategies to produce and support economic growth and development, with a focus on three development pillars: education, healthcare and institutions. Other development pillars covered include: infrastructure investment, state aid, development finance and others.

The following projects have been implemented in 2024:

Citizen oversight: Bridging the gap between policy promises and delivery in four development areas

The project is aimed at encouraging participatory and responsible democracy in the development sectors (education, health, social and economy) of North Macedonia, where the voice of citizens is heard, priorities are transparently set and political promises are constantly translated into tangible reality, ensuring a sustainable socio – economic progress and inclusive growth. The general goal of the project is to promote deliberative democracy in reforms in key development areas (socio-economic, education and health) with a focus on youth and women, through the engagement of various stakeholders in the process of prioritizing reforms and encouraging political accountability through monitoring the fulfillment of political promises.

Activities: The goal of the project is achieved through qualitative research of the extent that policy-defined priorities are in accordance with citizens' priorities, creating evidence of gaps between political promises and needs, and gaps in the realization of political promises and encouraging political responsibility and strengthen citizens' awareness, by monitoring the implementation of political promises using the Economic Compass as a digital tool

Achievements: In 2024, a survey on the citizen's priorities has been conducted, in order to measure to what extent the policy-defined priorities are in accordance with their needs.

Donor: Civica Mobilitas

State aid and foreign direct investment in the Western Balkan countries: Fostering transparency and generating space for regional coordination of investment policies

The overall objective of the project is to improve transparency of and to generate evidence on the FDI-related state aid in the context of the regional integration of Western Balkan countries.

Activities: The objective of the project is achieved through the following activities: mapping and collecting data on the state aid measures in Western Balkans, preparing evidence-based research and increasing awareness at regional, national and local level by influencing public discourse on the importance of state aid transparency and alignment with the EU requirements, and as a promotor of regional integration.

Achievements: All project activities have been conducted in 2024, resulting in collected data on the state aid expenditures for the period 2018-2023, preparation of a regional policy study, many visual products and organization of an economic forum to present the findings and steer public debate on the topic.

Donor: Open Society Foundation – Western Balkans



The perfect storm: Food and energy insecurities threaten the economies of the Western Balkan

The main goal of the project is to generate evidence and foster a policy dialogue for the food and energy insecurities in the Western Balkan economies pertinent to four key fronts: household livelihoods, firms' competitiveness, fiscal space and the regional integration.

Activities: The goal of the project will be achieved through employing the WEBecon network with respect to the national and regional policymaking processes on food- and energy-related policies, by generating evidence on the effects of the crisis on the WB economies and on the regional integration.

Achievements: During 2024, a policy study on the fiscal space in Western Balkans has been prepared and promoted during the economic forum 'After the storm: Navigating food and energy insecurities in the Western Balkans'. Also, numerous info-graphs have been produced, as a tool to translate research findings into data understandable for the general public.

Donor: SMART Balkans Project



2.2 Poverty, employment and skills

This research program refers to an array of development topics related to the quality of life of citizens and includes but is not limited to issues such as poverty, minimum wage, participation in the labour market, unemployment, informal economy, productivity, social protection, and the like.

Within this program the following project has been implemented:

Unlocking female economic potential – beyond gender boundaries

The objective of this action is to empower and enable women to reach their full potential in the labor market, with a particular focus on productivity.

Activities: The project activities include identification of the drivers of low female participation in the labor market and female productivity, piloting measures at “Comfy Angel” company, as tool for increasing productivity at work, stimulating policy dialogue among relevant stakeholders and advocating for policies that enable decent jobs and a stimulative environment that will boost female productivity.

Achievements: The process of piloting the Program for excellence and personal growth as a piloting measure within the company ‘Comfy Angel’ Prilep, started in September 2024. Until the end of 2024, four modules on time and stress management, communication, excellence in execution and decision-making have been conducted, with total of 50 participants, randomly chosen employees of the company. Also, a pre-intervention questionnaire has been disseminated and collected to 380 employees, providing valuable data for the impact evaluation of the action, scheduled for 2025. A research on the reasons for female labor market inactivity has been conducted in 2024, resulting in a policy study and brief that have been published and disseminated to the key policymakers.

Donor: British Embassy in Skopje



2.3 Fiscal transparency and accountability

This research program covers issues like transparency, structure and effects of public spending, participative budgeting at national and local level, sustainability of the public deficit and debt, public procurement and so on.

The following project has been implemented:

Fostering critical debate in evidence-based budgetary processes and fiscal transparency

The objective of the project is scaling democracy by expanding fiscal transparency at the national and local level in North Macedonia. It aims to contribute to the International Budget Partnership's (IBP) objectives by fostering transparency in the country.

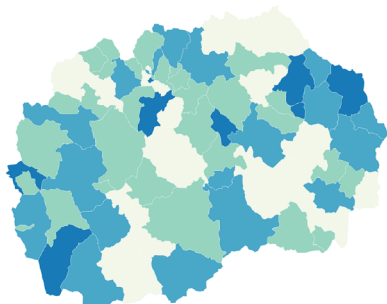
Activities: The project objective is achieved through data collection and research.

Achievements: In 2024, data basis on the budgets of the 80 local self-government units in North Macedonia have been collected and analysed. Main findings have been published within a policy brief and visualized as info-graphs in order to increase awareness on the local money spending.

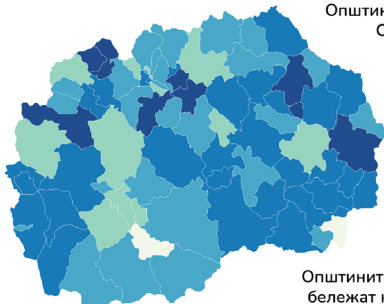
Donor: International Budget Partnership

Од 2021 до 2023, се забележува пореалистично планирање на капиталните расходи на Општините, каде што при намалени буџетски средства за капитални инвестиции, стапката на реализација во просек се зголемува за 17 п.п.

38% 53% 67% 82%



38% 53% 67% 82%



Во овој период, висока реализација над 90% се забележува кај Општините Тетарце (96%), Студеничани (91%) и Зрновци (91%).

Од друга страна, Општините Могила и Дојран бележат најниски стапки на реализација од по 31%.

Извор: Пресметки на Finance Think согласно податоци од Министерство за финансии. Визуелизација: Finance Think.

An initiative for a more-inclusive democracy for marginalized groups

The initiative aims to make participatory democracy more inclusive for young people, women and displaced persons (including refugees, immigrants and internally displaced persons).

The activities of the initiative include:

Workshops and in-person convenings among People Powered member organizations to identify best practices for making participatory democracy inclusive.

Creation of online courses and resource materials to help organizations implement the best practices.

Development of multimedia stories that bring to life the human impact of this work, to persuade more governments and organizations to make participation more inclusive.

Achievements: In 2024, a couple of meetings with People Powered member organizations have been conducted to share knowledge on participatory initiatives.

Donor: People Powered through the National Endowment for Democracy

2.4 Competitiveness and EU Accession

This research program deals with the conceptualization of the competitiveness, i.e. the institutions, policies and reforms to strengthen the market economy of North Macedonia. Moreover, the program specifically deals with how the EU accession helps country competitiveness in light of supporting the capacity to cope with the competitive pressure and market forces within the Union.

The following projects have been implemented:

Competitiveness Policy Priority Identification in the Western Balkans

The objective of the project is to identify and address policy priorities in each of the six Western Balkan economies, unlocking growth opportunities for small and medium enterprises (SMEs) in the region. The project is supporting the implementation of the Economic and Investment Plan for the Western Balkans (EIP) for the period 2021 – 2027, aiming to develop and implement a comprehensive program to enhance the competitiveness of the private sector in the region's countries.

Activities: The project objective is achieved through data collection and research.

Achievements: In 2024, a policy study has been prepared based on the data collected within the project.

Donor: European Bank for Reconstruction and Development

2.5 Green economy

The program on Green economy captures topics as growth in employment and income which are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency.

The following project has been implemented:

Socioeconomic Assessment of Coal Communities in North Macedonia and Kosovo

The goal of the project is: 1) to assess the socioeconomic consequences (risks and opportunities) of transitioning out of coal for the communities directly and indirectly affected by the closure of mines and coal-fired power plants, and 2) to inform the design of local transition plans – that is, plans that addresses the distributional consequences of the mine/power plant phase-out while seizing the development opportunities for the affected communities.

Activities: The project goal is achieved through research and data collection.

Achievements: In 2024, an extensive assessment on the impact of transitioning out of coal has been conducted, resulting in a policy study.

Donor: The World Bank

3. Analytical and research publications as a form of advocacy

Based on economic analysis, research and monitoring of the economic activities, Finance Think produced different types of publications and visualizations.

3.1. Regular publications

The regular publications of Finance Think include:

Macroeconomic monitor, regular quarterly publication that observes the Macedonian economy through numbers, with highlighted forecast component. Since 2012, this publication offers a numerical forecast for the economic growth of the Macedonian economy, as well as a brief discussion of the associated risks and opportunities. There have been 52 editions published, four of which in 2024.

Policy briefs are a product of the overall work of the think tank and stem out of activities like projects, brief analysis, published articles, round tables and the like. The policy briefs are considered powerful advocacy tool of Finance Think. They are intensively communicated with the associated stakeholders through being sent to the relevant government agencies or presented at mutual meetings and conventions, and are published at the communication platforms of the Institute.

1. The following issues have been published in 2024:
2. Do measures to limit food prices have an effect?
3. How self-sustainable are the local self-government units?
4. How to address the invisible but daily challenges faced by inactive women in the labor market in North Macedonia?

5. How is the budget planned and executed? A historical overview with a focus on capital expenditures and expenditures by users
6. Effective and/or expensive? Did government's measures to cope with the food and energy price crisis protect the citizens?

FT Comment is first and condensed commentary of strategic documents, action plans, statements and reports delivered by various institutional players: The Government and its agencies, European Commission, IMF, the World Bank and other regional and international financial and economic organizations; on issues falling in the working domain of Finance Think and concerning North Macedonia. In 2024 we have prepared the following comments:

1. FT Comment No. 38 on the election programs of the political parties for the 2024 Parliamentary elections, with reference to fiscal risks
2. FT Comment No. 39 on the economic part of the European Commission Progress Report on the Republic of North Macedonia
3. FT Comment No. 40 on the draft budget of the Republic of North Macedonia for 2025

FT Opinion is a condensed and swift reaction to the moves of the daily economic policy and trends. In 2024, two opinions of the FT experts were published:

1. FT Opinion No. 61 on the economic promises of the main political parties for the 2024 Parliamentary elections
2. FT Opinion No. 62 on the budget supplement for 2024



Има ли ефект од мерките за ограничување на цените на храната?



Во периодот од 2021 до 2024 година, Северна Македонија беше соочена со значителен раст на инфлацијата, предизвикан од повеќе фактори. Нарушувањата во синџирите на снабдување и притисоците на одделни пазари (како тој на масло за јадење), предизвикаа ценовни притисоци уште во втората половина од 2021. Но, главниот удар врз цените дојде по почетокот на Руската инвазија врз Украина кон крајот на февруари 2022, настан кој предизвика тектонски геополитички и економски поместувања, што имаше силен одраз врз растот на цените на енергените и основните сировини. Споредено со ценовното ниво од почетокот на 2021 година, на крајот од 2024 година општото ниво на цени во Северна Македонија е повисоко за 35%, додека нивото на цените на храната за 46.8%.

Бриф за политиките
бр. 71
ВОВЕД

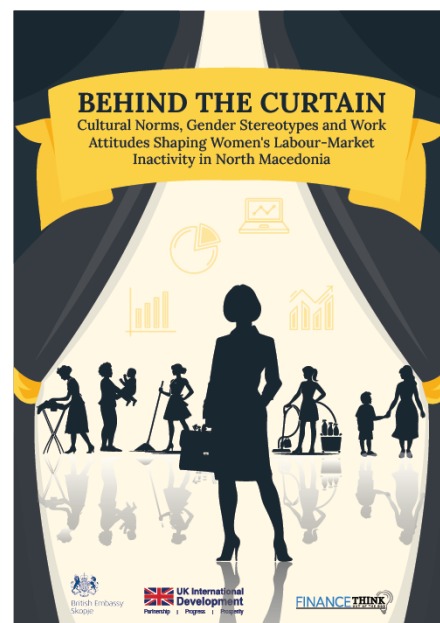
3.2. Research and policy publications

Journal articles. Representatives from the Institute published articles in national and international papers:

1. Petreski, M. (2024) The fiscal space and the fiscal stimulus during crisis in the Western Balkans. *Economic Annals*, 69(242), p.7-25.
2. Petreski, M. (2024) The impact of the crisis induced by the conflict in Ukraine on firms: Evidence from in North Macedonia. *The South East European Journal of Economics and Business*, 19(1), p.123-144.
3. Petreski, M. and Tanevski, S. (2024) ‘Bargain your share’: The role of workers’ bargaining power for labor share, with reference to transition economies. *Empirical Economics*, 67(5), p.2241–2288.
4. Petreski, M. and Pehkonen, J. (2024) Minimum wage and manufacturing labor share: Some evidence form North Macedonia. *Economic Thought and Practice*, forthcoming.

Policy studies. During 2024, the following policy studies were published:

1. Granular examination of the informal economy in North Macedonia: Insights into informal workers, undeclared work and income underreporting in households
2. The Fiscal Space in the Western Balkans: Evidence from the Recent Multilayer Crisis
3. Behind the Curtain: Cultural Norms, Gender Stereotypes and Work Attitudes Shaping Women’s Labour-Market Inactivity in North Macedonia
4. Fiscal Discipline and the Efficiency of Fiscal Rules in North Macedonia: The Path to Sustainability
5. Empowering Western Balkans Economies: State Aid Incentives and Transparency in the Region



3.3. Visualizations

Graphs and infographs. During 2024, economists of Finance Think produced 73 info-graphs on the following topics:

1. State aid in the Western Balkans
2. Local budgets
3. Food and energy insecurities in the Western Balkans
4. Determinants of female inactivity on the labor market
5. Informal economy
6. Fiscal space in Western Balkans

Graphs are communicated through social networks, and infographics are placed on the Flickr platform and then disseminated through other channels.

Video. In 2024, three videos have been prepared and disseminated via YouTube channel and the other social media:

1. How much do electricity subsidies cost?
2. How is Macedonian economy doing?
3. How will the 2025 budget affect the economy?





STATE AID SHOULD NOT BE SOCIAL AID FOR THE AGRICULTURERS

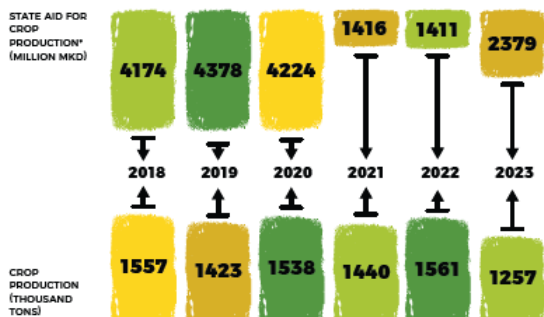
Granted state aid should lead to increased crop and livestock production, greater productivity of farmers and decline in food imports.



CROP PRODUCTION



Significant variations in the amount of state aid granted to support crop production are not related to changes in the amount of cereal, industrial and horticultural crops produced.



*Includes direct payments for crop production from the Program for financial support of the agriculture. Source: State Statistical Office, Agency for financial support of the agriculture and rural development, Western Balkans Finance Think.

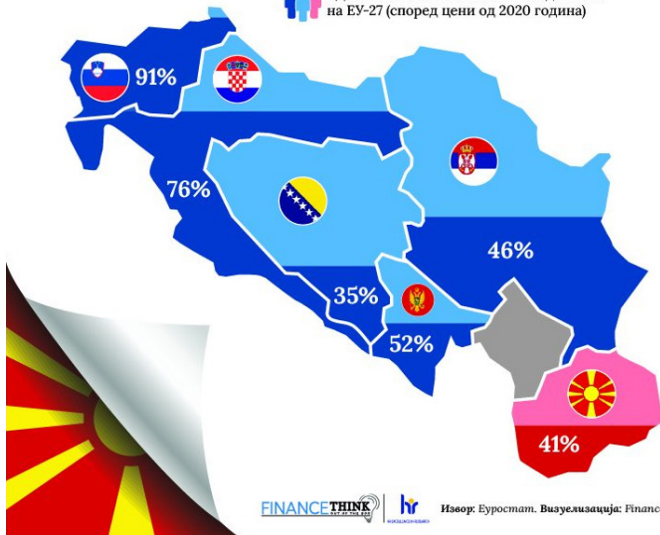


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WESTERN BALKANS



Колку сме далеку од животниот стандард на Европската Унија?

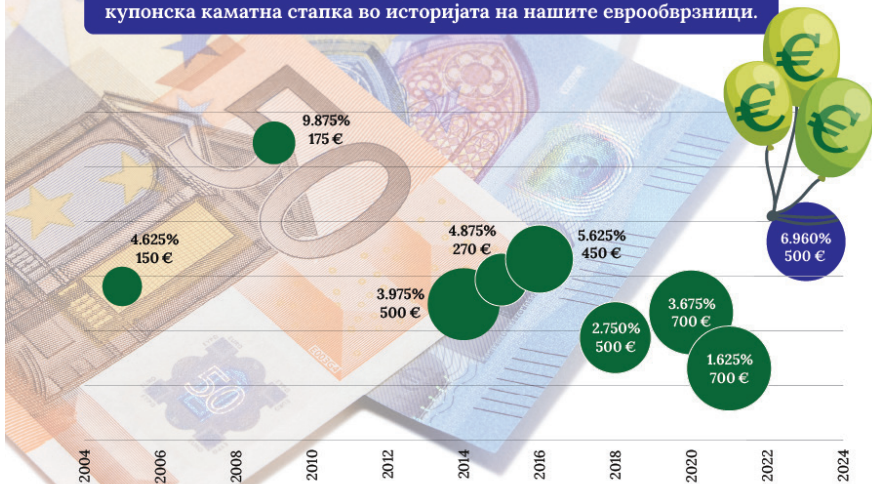
БДП по глава на жител како % од истиот на ЕУ-27 (според цени од 2020 година)



Извор: Еуроком. Визуелизација: Finance Think.

Само од еврообврзниците, во следните четири години за отплата достасуваат 2.4 милијарди евра

Последната еврообврзница (март 2023) имаше втора по висина купонска каматна стапка во историјата на нашите еврообврзници.



Извор: Министерство за финансии. Визуелизација: Finance Think.
Забелешка: Оборот на круговите кореспондира со износот на еврообврзниците изразен во милиони евра.

Буџетскиот процес во земјава е недоволно транспарентен и инклузивен

Според последниот извештај за Отворен Буџет 2023, во земјава нема можности за вклучување на јавноста во процесот на буџетирање, ниту се објавуваат доволно информации за поддршка на јавната дебата за буџетот.

Оценка на PCM (од 100)

	Транспарентност	Учество на јавноста	Надзор
2023	35	7	54
2021	36	6	54
2019	41	0	54
2017	37	0	56

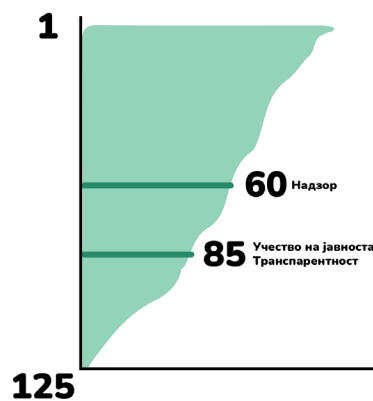
НЕДОВОЛНО

- 0-20 Осудни или никакви информации
- 21-40 Минимални информации
- 41-60 Ограничени информации

ДОВОЛНО

- 61-80 Значителни информации
- 81-100 Обемни информации

Ранг на PCM (од 125 земји)



Извор: International Budget Partnership. Визуелизација: Finance Think.



This project is funded by the European Union



Web platforms. As a result of the IBP funded project related to the local budgets, in 2024 the web platform www.fiscast.mk has been upgraded with an extensive database on the local expenditures and revenues of all 80 municipalities in the period 2017-2024.

During the year, the following web platforms have been maintained:

1. www.parafiskalni.mk – Web platform for promotion of the existing para-fiscal charges at national and local level.
2. www.kompanii.mk – Web platform with extensive database of domestic and multinational companies that can present themselves and their demand and supply of goods and services.
3. www.adventuretrails.mk – Web platform for promotion of the country as an adventure tourism destination
4. www.odkrusevo.mk - Web platform of the Association “Krushevo women”, a product of the project “Empowering women in Krushevo through mini clustering for sales and promotion of traditional products”.
5. www.edplako.mk – Web platform that assesses the fair wage and its aim is to reduce the gender wage gap in Macedonia.
6. www.vrabotime.mk – Web platform that provides information related to the project “Promoting active inclusion of disadvantaged persons excluded of the labour market”.
7. <http://grupacivitax.wixsite.com/home> - The repository web page of the Group CIVITAX.

4. Other forms of advocacy and communication

4.1. Media

Our opinions and results of the analyses have been communicated with the public, which produced many statements, interviews and articles, through which we continue to nurture close and continuous cooperation with the media. Representatives from Finance Think were regularly present through statements in many leading printed and electronic media like: Kapital, Nova Makedonija, Al Jazeera Balkans, Bloomberg Adria and many others, and provide interviews for the national TV media like Telma, TV 24, Sitel and others. The total number of media appearances in 2024 is 394.

29 HOE.
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18

INTERVIEW

економскиот напредок. Сепак, овие фактори не се доволни за да предизвикаат драматичен економски колапс.

Поголемиот проблем на Европа лежи во долгогодишните структурни слабости. Потенцијалниот раст на Еврозоната се очекува да се намали на околу 1,2% до 2027 година, поради фактори како намалувањето на работоспособната популација, слабите придобивки кај продуктивноста и зголемената бирократија. Овие проблеми укажуваат на стагнација, а не на акутна криза.

Дополнително, пазарот на труд во Европа сè уште останува затегнат, бидејќи фирмите не сакаат да отпуштаат работници поради страв од иден недостиг од квалификувана работна сила. Ова го поддржува растот на платите и приходите на домаќинствата, но истовремено создава товар врз продуктивноста и конкурентноста.

Глобалните геополитички конфликти несомнено додаваат на економската неизвесност, но нивното влијание врз европската економија зависи од тоа како тие ќе се одразат врз цените на енергијата, глобалната трговија и инвестициите. Засега, и покрај притисоците што ги создаваат овие конфликти, не се гледаат знаци на сеопфатен економски колапс на континентот.



4.2. Web site

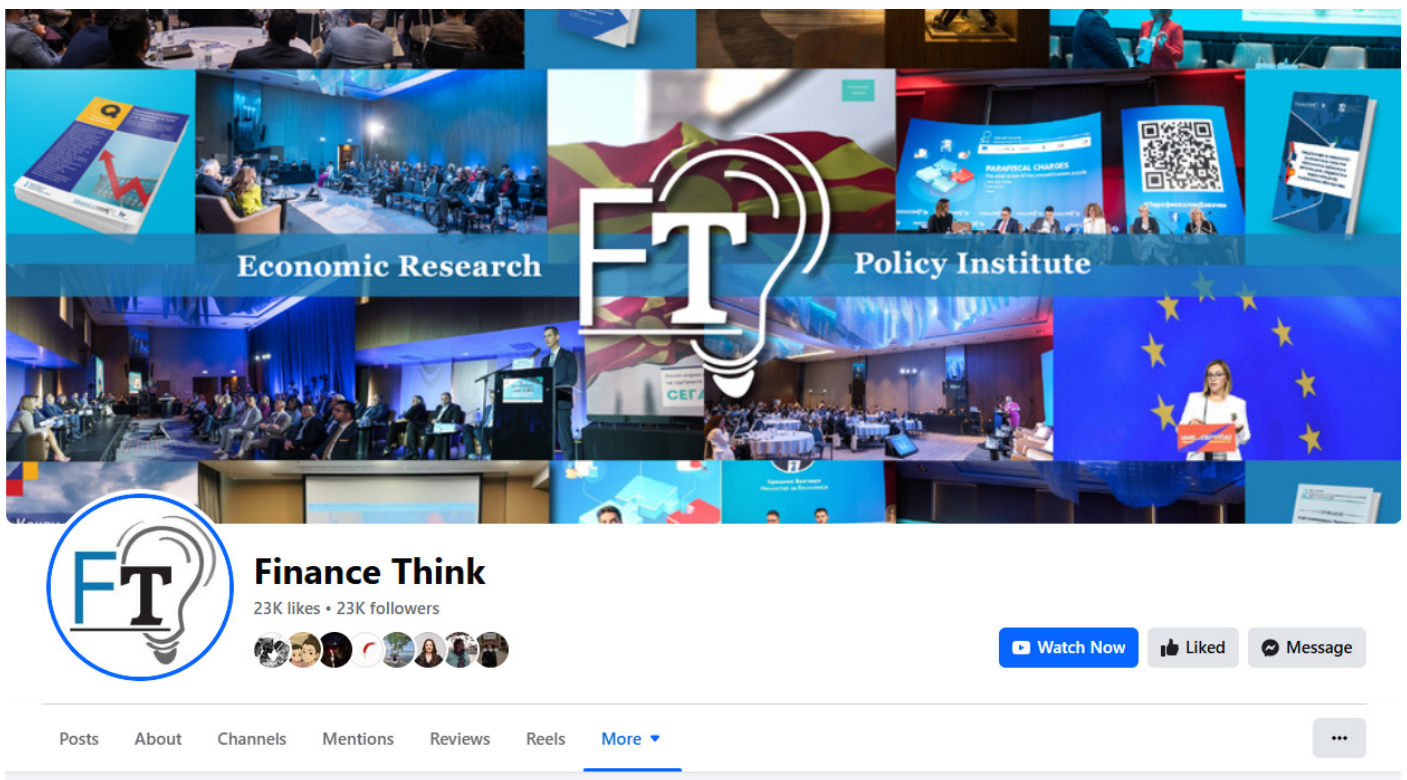
The web site is our most widely used tool for informing the public about our research, analyses, events, opinions, publications, participation at conferences, etc. During 2024, the website has been visited by 32.851 visitors, or on average, 90 persons per day. The web platform is also linked to both blogs: “The blog of free-minded economic thought” and “Economic conversations - information view” and social networks: Facebook, LinkedIn and Twitter.

4.3. Social media

Finance Think actively uses the social networks Facebook, LinkedIn and Twitter.

The following statistical info is relevant for the FB profile:

- The institute had 23,792 Facebook followers at the end of 2024, an increase of 1.2% compared to the end of 2022
- During 2024, more than 1,000 information pieces, links, videos, analyses, graphs, and our views on economic issues from the country and the region were posted, which is roughly the same level maintained as in the previous year
- During 2024, Finance Think’s timeline was visited by over 30.000 visitors, which is equal to, on average, 82 visits per day, approximately 9.6% more than the level of the previous year
- The average daily reach of the profile posts was 1.668, excluding the sponsored posts



5. Sparking public debate

The events are an important thread of our communication strategy and efforts to encourage a public economic debate in North Macedonia.

5.1. Economic forums

The objective of the economic forum, besides encouraging the public debate on the current topic, is to present a product from Finance Think, including but not limited to: book, policy study, internet platform, video product, etc. In 2024, two economic forums have been organized:

1. After the storm: Navigating food and energy insecurities in the Western Balkans - has been organized on 30 May 2024, as a place for promoting the research on the impact of the food and energy crisis in the Western Balkans and to steer public debate on the lessons learned from the crisis and the necessary steps for faster recovering. Within two panels, we have discussed on the opportunities for combating food and energy insecurities and possibilities for regional cooperation as a tool for fostering sustainability. The first panel has been composed of prominent national and regional economic experts, such as Mr. Gligor Bishev, President of the Fiscal Council in North Macedonia, Ms. Kori Udovicki, Founder of CEVES, Serbia, Mr. Marjan Petreski, Professor at UACS Skopje and Mr. Fatis Turkmenoglu from EBRD. In the second panel, representatives of WEBEcon Network who worked on the research related to the impact of the crisis presented the findings. The event has been opened by Ms. Anita Angelova Bezhovska, a Governor of the Macedonian National Bank.

2. ‘Race to the Bottom’ – Transparency of state aid for attracting and supporting investments in the Western Balkans – has been organized on 20 December 2024, to present the findings of the research on state aid expenditures and transparency, conducted in the six countries of Western Balkans. The speakers at the forum have been national, regional and international researchers and experts who deal with the state aid topic. Ms. Antje Wandelt, Delegate of the German industry in North Macedonia, Kosovo and Albania, Ms. Elena Calistru, Rapporteur at the European Economic and Social Committee and Mr. Lazar Nenezic from the Montenegrin Ministry of regional cooperation discussed the necessity of clear, sound and transparent programs and policies for supporting investments in the local economies, while the researchers from the WEBEcon Network (Ms. Despina Tumanoska, Finance Think, Ms. Amela Kurta, CREDI Bosnia and Herzegovina and Mr. Pavle Medic, CEVES Serbia) presented the findings of the conducted regional research.



5.2. Round tables

The goal of the round tables is to encourage a critical debate on a particular topic that most often stems from ongoing research. In 2024, we have organized two round tables:

1. Fostering Resilience: Advancing Knowledge, Measurement and Policy Dialogue to Protect Children from Multidimensional Poverty – has been organized on 14 March 2024 in Skopje, to present the findings of the study related to poverty among children. Representatives of the World Bank, State Statistical Office and national experts discussed on the necessity for programs and measures that will protect the children from falling into poverty.

2. Fiscal Policy at a Crossroads: The Path to Stability and Sustainable Public Finances – has been organized on 22 November 2024, in cooperation with the Fiscal Council in North Macedonia, to present the findings on the efficiency of the fiscal rules in the country. Representatives of the Government (Ms. Gordana Dimitrieska Kochoska, Minister of finance), national experts (Mr. Gligor Bishev and Mr. Abdulmenaf Bedzeti, Fiscal Council, Ms. Blagica Petreski, Finance Think, Mr. Marjan Petreski, UACS, Ms. Nikica Mojsoska Blazheski, Macedonia 2025) and representatives of the international organizations (Ms. Sanja Madzarevic Shuster, The World Bank, Mr. Havier Castillo Alvarez, EU Delegation) discussed on the opportunities for improving the fiscal discipline.




Фискалната политика на крстопат: Патот кон стабилност и одржливи јавни финансии



Хотел Александар Палас, Скопје



22 ноември 2024



11:00 - 12:40



БЛАГИЦА ПЕТРЕСКИ
Извршна директорка
Finance Think –
Институт за
економски
истражувања и
политики



ГОРДАНА ДИМИТРИЕСКА КОЧОСКА
Министерка за
финансии



ГЛИГОР БИШЕВ
Претседател на
Фискален Совет на
Република Северна
Македонија



АБДУЛМЕНАФ БЕДЗЕТИ
Член на Фискален
Совет на Република
Северна Македонија



САЊА МАЦАРЕВИЌ –ШУЈСТЕР
Виш економист за
Западен Балкан,
Светска банка



МАРЈАН ПЕТРЕСКИ
Професор,
Универзитет
Американ Колеџ
Скопје / Finance Think



НИКИЦА МОЈСОСКА – БЛАЖЕВСКИ
Извршна
директорка
Македонија 2025



МАРИНА ТРПЕСКА
Член на Фискален
Совет на Република
Северна Македонија



ХАВИЕР КАСТИЉО АЛВАРЕЗ
Раководител на
програма во
Секторот за
управување со
јавни финансии и
соработка во
Делегацијата на
ЕУ во Северна
Македонија

6. Stakeholder engagement

Several activities of Finance Think are aimed to engage a variety of stakeholders in a variety of manners.

6.1. Workshops

The purpose of the workshops is direct transfer of skills to the immediate target groups. They are usually organized within the current project activities. In 2024, Finance Think organized a training program within 12 training days, with employees at 'Comfy Angel' Prilep:

- **Personal Development and Career Enhancement Program**



6.2. Press Café

Finance Think maintains regular meetings and consultations with the economic journalists. “Press café” is a format within which economic journalists may suggest ways of cooperation with FT and to gain information for the direction of our work. On 4 October 2024, a press café has been organized in Skopje, as a place to discuss the determinants of the female inactivity at the Macedonian labor market. Several economic journalists from the national TV and web media attended the event.



6.3. Stakeholder engagement

During 2024, we have organized two events where key stakeholders have been engaged to steer discussion on selected topics:

1. Debate club with business sector - on 18 June, a debate club with 20 representatives of the business sector from Prilep has been organized, to discuss on the measures for boosting productivity of the workers. During the year, we have works on implementing measures that have the potential to boost productivity, with a focus on women's productivity.

2. Validation meeting with institutions that manage state aid - on 22 October, we have organized an online meeting with representatives of relevant institutions responsible for the promotion, management and control of state aid in the Western Balkan countries, where we shared the findings of our latest research, with the aim of validating them. Taking into account their suggestions and guidelines, we have updated our policy study on state aid granted to domestic and foreign companies, and the transparency and accountability of the competent institutions in all six countries.



7. Impact and evaluation

The various forms of publications, visualizations, media appearances and communication through social networks, as well as numerous events, have created the impact of Finance Think.

The results and conclusions of the conducted research and analyses, translated into specific recommendations for policy changes, were disseminated to policy makers, and continuously fed the public discourse. Several of our results, findings and recommendations have been taken forward by other research, either as basis for further research of the matter or basis for drawing comparisons and reinforcing policy recommendations. Forecasts of the economic activity that Finance Think maintains in its Macro-monitor have been verified by the sources of the national statistics and constituted a source of Institute's credibility.



In 2024, our work at Finance Think made a significant impact by providing evidence-based insights that influenced public discourse and policy. Our analysis of food prices demonstrated that the government's price freeze on essential goods did not result in dramatic price shifts, with bread prices decreasing by 0.1%, dairy products by 0.5%, and meat prices rising modestly by 0.9%. Additionally, our research on child poverty highlighted the enduring economic effects of COVID-19, with projections indicating an increase in child poverty to 32.4%. Our findings were later supported by official statistics showing a child poverty rate of 32.7% for 2020. Furthermore, our analysis of overall poverty trends showed that the pandemic likely pushed total poverty to 23.3%, closely aligning with the official 2020 figure of 23%. These contributions underscored our role as a key source of reliable data and analysis, driving informed decision-making and shaping effective social policies in North Macedonia.

In 2024, Finance Think’s earlier analysis of the ninth anti-crisis package translated into tangible policy impact. Our evidence-based recommendations, initially presented in late 2023, directly influenced government adjustments to the allocation of crisis support, ensuring more targeted assistance for vulnerable households and key economic sectors. Throughout the year, our research continued to shape the national dialogue on economic resilience, particularly through the promotion of our fiscal space policy study at the regional forum After the Storm. Additionally, the widespread dissemination of infographics made complex economic data more accessible to the public, fostering greater transparency and public engagement in crisis-related policymaking.

The “Unlocking Female Economic Potential” initiative had a direct and measurable impact on immediate stakeholders, particularly female employees and businesses. By piloting productivity-enhancing measures at Comfy Angel, the project engaged 50 employees in targeted training on time and stress management, communication, and decision-making. This intervention provided tangible benefits to workers, equipping them with skills to improve efficiency and workplace performance. Simultaneously, the company gained firsthand insights into strategies for boosting female workforce productivity, which can be scaled to other industries. The initiative also influenced broader policy discussions, as the pre-intervention survey of 380 employees generated valuable data that will inform evidence-based policy recommendations for improving female labor market participation and workplace conditions in North Macedonia.

Finance Think’s research on state aid transparency and regional investment policies had a direct impact on key stakeholders, including policymakers, businesses, and regional economic institutions. By compiling the first-ever comprehensive dataset on state aid expenditures (2018–2023) across the Western Balkans, we provided crucial evidence that shaped discussions on the effectiveness and fairness of investment incentives. The findings, presented at the economic forum “Race to the Bottom,” brought together government officials, industry leaders, and economic experts to debate policy improvements. Additionally, our analysis of the Open Balkan Initiative played a pivotal role in developing mutual qualification recognition protocols, ensuring smoother labor mobility across the region. These efforts directly benefit businesses seeking transparent investment conditions and workers aiming for greater job opportunities in an integrated regional labor market.

Finance Think remained a major source of information to the public and encouraging economic debate. Economists of Finance Think spoke in all major media, on a variety of economic issues. It is estimated that FT was quoted in the media, on average, 6 times a week. Almost all the key messages that the Institute attempted to convey to the public sparked the attention of the media, with several unique news reports / stories in the mainstream media.

Generally, Finance Think’s work continues to strengthen the public debate as evidence-based and data-driven. The inclusion of quantitative assessments and other evidence obtained through research in public debate helped maintain objectivity and balance in political and electoral contexts.

Based on our estimates of the impact of efforts on policy makers, direct target groups and public discourse, it is estimated that the targeted impact in 2024 was maintained at the level of the previous 2023. Details are presented in the following table:

FINANCETHINK

Според нашата Студија за политичките бр. 32: Премостувачки мерки за ублажување на последиците од ковид-19: Предлог, трошоци и клучни ефекти на концептот, објавена во декември 2020 година, се проценени дека Ковид-19 ќе ја зголеми сиромаштијата на 23.3%.

Според Лаекенските податоци за сиромаштијата за финансиската 2020 година, објавени во октомври 2024, вкупната сиромаштија изнесува 23%.

Година	Вкупна сиромаштија (%)
2020	23.0
2024	23.0

FINANCETHINK

Според нашата Студија за политичките бр. 35: Социјалните и економските ефекти од ковид-19 врз децата во Северна Македонија: ажурирање, објавена во јуни 2021 година, се проценени дека Ковид-19 ќе ја зголеми детската сиромаштија на 32.4%.

Според Лаекенските податоци за сиромаштијата за финансиската 2020 година, објавени во октомври 2024, детската сиромаштија изнесува 32.7%.

Година	Вкупна сиромаштија (%)
2020	32.4
2024	32.7

Table 1: Quantitative measurement of the total impact

	Number of...		Estimated impact (0 = no impact 10 = very high impact)			Increase in the impact in 2024 compared to 2023		
	2023	2024	Immediate target groups	Policymakers	Public discourse	Immediate target groups	Policymakers	Public discourse
PUBLICATIONS	25	23	0	6.8	5.8	0.0%	-8.2%	-17.6%
Macroeconomic monitor	4	4	0	4	8			
Policy briefs	6	5	0	10	6			
FT Comment	1	3	0	10	4			
FT Opinion	3	2	0	10	10			
Quality of Life	2	0	0	5	8			
Books and Handbooks	1	0	0	10	6			
Articles	2	4	0	5	2			
Policy studies	5	5	0	10	4			
Analytic reports	1	0	0	10	2			
VISUALIZATIONS	86	84	4.4	6.5	8.3	-5.6%	-2.7%	-2.4%
Graphs	47	42	2	2	10			
Infographs	22	31	4	6	10			
Let's chat economics	2	0	4	6	10			
Videos	4	3	10	6	10			
GIFs	3	0	8	6	10			
Web platforms	8	8	4	2	8			
EVENTS	66	53	4.6	8.4	6.0	26.3%	-25.1%	-79.3%
Economic forums	3	2	2	8	10			
Round tables	1	2	2	10	10			
Workshops	8	12	10	4	0			
Direct meetings with policymakers and/or target groups	29	35	10	10	0			
Number of changed regulations/policies	25	2	0	10	10			
MEDIA APPEARANCES	374	395	3.0	6.5	9.5	6.4%	7.3%	5.6%
Number of media statements	58	29	2	4	10			
Number of media citations	302	346	2	4	10			
Interviews and media participations	14	19	4	10	10			
Press café	0	1	0	6	10			
INCREASED IMPACT BY GROUPS						9.2%	-1.9%	-1.5%
TOTAL INCREASE IN THE IMPACT						0.1%		

The following table provides the achievement of the targets of the Monitoring and Evaluation Strategy 2024-2026. As it can be seen, almost all indicators are realized, and in many cases they are significantly exceeded.

Table 2: Evaluation of achievement of Finance Think's objectives

Objectives and outcomes	Objective	Indicator	Baseline	2023 Realization	2024 Realization
Objective 1: To contribute to improved economic policies and reforms through producing evidence, based on economic research and driven by economic data					
Long term outcomes	1.1. Increased supply and quality of economic research	Number of key research results that could be articulated in a policy recommendation	5-6	10	12
	1.2 Increased capacity of and support to target groups in conducting economic research	Number of stakeholders affected	25	49	58
		Number of capacity-building activities (workshop, trainings, webinars) conducted	8	8	12
	1.3 Increased confidence of economic experts in economic policies and reforms	Number of internal and external reviews conducted	10 internal 3-4 external	10 5	10 5
Short term outcomes	Increased number of FT research publications (policy studies, journal articles, books/ manuals)	Number of research publications	9	8	9
	Increased number of the FT regular publications (Macro-monitor, FT Comments, Briefs etc.)	Number of regular publications	25	25	22
	Increased number of the FT visual publications (graphs, infographs, GIFs, videos etc.)	Number of visual publications	60	85	91
	Increased number of external experts, who participated in FT projects	Number of experts	7	7	9

	Increased number of journalists, who participated in FT projects, writing about the local and/or regional economy	Number of journalists writing about economic/social issues, based on FT's findings and products	15	15	18
	Enhanced cooperation between FT and think tanks, specifically on economic/social issues from other countries.	Number of think tanks from other countries with which FT cooperates in economic issues Number of think tanks which FT cooperates intensively (e.g. on particular project)	20 6	20 6	20 6
	Generated new data	Number of data-collecting instruments applied (survey, focus-groups, interviews etc.)	10	10	10
	Increased amount of web resources (data, evidence, research, regulations)	Number of web platforms maintained	9	9	9

Objective 2: Enhancing the effect that Finance Think's work exerts on economic policies, reforms and society					
Long term outcomes	2.1. Increased uptake of research results, findings and recommendations by policymakers	<p>Number of FT key policy recommendations put in the pipeline by the government</p> <p>An issue is added on policymakers' agendas</p> <p>An issue is discussed, or framed differently due to the institute's work</p>	NA	Recommendations relevant for the Anti-Crisis Package Measures, as well as related to the regional economic integration have been taken forward by the government. See section 6.1 for further details.	Recommendations relevant for consequences of the food and energy price crisis, as well as related to the state aid policies (in the investment domain) have been taken forward by the government. See section 6.1 for further details.
	2.2 Increased impact of the FT's research and materials on Macedonia's economy and economic policies	Number of government moves in line with FT recommendations/ opinions/ advice	Few moves	Few moves	Same as before. In addition, many other moves of smaller importance have been in line with FT recommendations.
	2.3. Increased positive impact of FT's work on immediate target groups	% of immediate target groups who expressed satisfaction with the participation in FT activity (workshop, seminar, training)	100%	100%	100%

	2.4. Increased debate on economic policies and reforms	Number of media appearances and citations Number of events	250 20	374 66	394 53
Short term outcomes	Growing confidence in and reach of the FT research and expert opinions on economic issues.	Number of views in social media of the FT`s posts, number of FT Facebook and Twitter page followers, LinkedIn posts	23.000	23.515	23.792
		Twitter followers, 100		439	
		FB post engagement, 20.000 weekly (average)		39.771	38.453
		FB posts, 5 weekly		7	6
		FB page views, 1.000 monthly (average)		1.226	1.335
		LinkedIn posts, 2 per week		3	3
		% of FT products published in popular media (even shortly)	50%	90%	88%
	The FT`s public events on economic issues (economic forums, round tables, press coffees etc.) attended and positively responded by relevant government decision makers	Certain number and quality of feedbacks from decision-makers on FT`s events (e.g. letters from the government with promise to use FT recommendation / adopting any official document).	5-10	10	10 Numerous feedbacks were received, large part of which informal, while meeting policymakers in various occasions.
		% of FT`s public events attended by government relevant decision makers (or number of experts)	90% FT`s public events attended by government relevant decision makers	100%	100%

	Increased number of media appearances	Number of media appearances (statements, interviews, expert opinions...)	60	72	48
	Increased number of citation of research/ advocacy publications in media	Number of media citations	200	302	346
	Growing number of opinion leaders participating in the FT's public events on economic issues.	Number of opinion leaders, who take part in FT's events	N/A	The events of FT sparked wide attention, among participants and media. Key policymakers and influential persons in the public discourse attended these, mainly as speakers.	All events organized by FT have been attended by important policymakers as speakers.

Objective 3: Nurturing strong institutional capacity of Finance Think to impact economic reforms and to reinforce effects economic policies have for citizens; and enhancing own capacity for regional impact and leadership					
Long term outcomes	3.1 Sustained demand for FT research materials from the government, business and international community (increased relevance of these research materials)	Request for conducting research from the government, business and international community	5-7 requests to conducting research from the government, business and international community	12 Some of the requests were not accepted due to limited resources.	12
	3.2 Increased capacity for regional leadership and impact	Number of regional projects in which FT participates	2-5	2	2
	3.3 Financial sustainability of FT	Improved financial sustainability (strengthened fundraising)	Application approval rate (>25%)	42%	40%
		Implementing auditor`s recommendations	100% of recommendations are implemented	100%	100%
	3.5 Increased capacity for operational and strategic planning	All operational and strategic plans are designed, their fulfilment is monitored	Yes / No	Yes	Yes
Short term outcomes	Increased demand from the government for research materials of FT or feedback, implementing more projects together with the government	Feedbacks form the government	Most of feedbacks from the government are positive	Yes	Yes

	Increased transparency and financial discipline by improving accounting policies as well as through annual public reporting.	Fulfilment of Audit recommendations	Audit recommendations: 100% complete	100%	100%
	Implementing of procedures aimed at ensuring quality of research materials as well assurance sufficient number of qualified analysts	Increased confidence in the FT's research and materials	100% of research and materials are peer reviewed internally 100% of policy studies are peer-reviewed externally	100% 100%	100% 100%
	Improved procedures for strategic and operational planning and evaluation	Participation of stakeholders in planning and evaluation	80% of stakeholders participate in planning and evaluation	All internal stakeholders participated in such activities. Based on an Organizational and Advocacy Capacity Assessment, conducted within a project, the donor provided suggestions for improving the operational planning.	All internal stakeholders participated in such activities. During 2024, FT did not organize such activities for external stakeholders.
	Increased skills in FT	Increasing the skills of the current FT's employees	75% of FT's employees completed trainings and courses to upgrade their skills	100%	100%
		Number of training/workshops attended by FT's employees	5-8	7	12
		Hiring new employees	NA	0	1

	Increased cooperation within regional WEBecon Network, and cultivating relationships with the Network's partner members	Number of common projects conducted by the network	2	1	2
	Enhanced cooperation between FT and think tanks, specifically on economic/social issues from other countries.	Number of think tanks from other countries with which FT cooperates in economic issues	10	7	10
	Increased exposure to the international academic and CSO scenes, through participation at regional and international forums, conferences and networks.	Number of regional/ international forums/ conferences / similar events visited/ attended	8-10	8	9
		Number of memberships in international institutions/platforms	8	8	8

8. Network and cooperation

During the year, the Institute cooperated with wide range of economists, policymakers, international experts, other research centres and civil society organizations and university form the country and abroad.

8.1. Memberships

The Institute continued to take advantages of the membership in eight international institutions/platforms: European charter for researchers, ILO Decent Jobs for Youth, People Powered Network, UNCTAD Virtual Institute Geneva, IDEAS/Repec, Global Youth Network, International Budget Partnership and CAMMIGRES – The Cambridge Migration Research Network, in order to improve the expertise in research, as well to widen the network for cooperation with global researchers.



8.2. Networks

Finance Think is a founder or member in the following networks of organizations and think tanks who work on economic, social and development issues:

- FISCAS Network - a network of civil society organizations, economic experts and journalists that aims to contribute to more transparent, accountable, sustainable, effective and efficient policies for spending public funds.
- WEBecon Network – a regional network composed of well- established and reputed think tanks working on economic, social and development issues. During 2024, network members worked on two projects related to 1) policy measures for overcoming the food and energy crisis in WB and 2) state aid programs for supporting FDIs in the WB countries. In 2024, the network held several strategic and regular meetings to discuss issues related to the joint research.
- People Powered Network – an international network of CSOs who work on introducing participative democracies in the world, through programs such as participatory budgeting, policymaking, planning and citizen assemblies. In 2024, several meetings for resource development and capacity building for inclusive practices for marginalized people have been organized and attended by our representatives. As a member of the People Powered Network, Finance Think participated at the second in-person member convening in May 2024 held in Warsaw Poland, where we gained significant experience, capacities and knowledge related to participatory democracy and policymaking, and established networks with NGOs worldwide.
- Civitax Group – group for fiscal issues in the civil and academic sector, as well as among the natural persons. There was no activity in 2024.
- The future of the welfare state – a regional initiative of think tank organizations and social policy researches focused on the welfare state issues in the six Western Balkan countries. There was no activity in 2024.

8.3. Memoranda of understanding

Finance Think continued to use the benefits of the signed Memos of understanding with the following domestic and international research centres:

- State Statistical Office
- National Bank of North Macedonia
- Foundation for Advancement of Economics (FREN) from Belgrade, Serbia
- Institute for Social Sciences and Humanities (ISSHS) from Skopje.

In 2024, we have signed a memorandum with the Fiscal Council of North Macedonia. Our cooperation will include joint initiatives in the areas of fiscal analysis, public debt sustainability, public spending efficiency, capital investment monitoring, and other similar areas. Also, a memorandum with the company 'Comfy Angel' has been signed in June 2024, as a common initiative on identifying measures that contribute to greater productivity among the workers.



8.4. Consultative processes

We are making a continuous contribution to the consultative process in the country, through an objective, evidence- and data-based analysis of current economic trends and economic policies. In 2024, we have started the initial activities and contribution to the European Economic and Social Committee (EESC). Our Executive Director Blagica Beba Petreski met with Finance Think collaborators and partners at the European Union institutions in Brussels, Belgium, 22 April 2024. Participating in the meeting of the European Economic and Social Committee (EESC), the critical aspects of the availability and adequacy of water, sanitation and hygiene (WASH) services for economic development and household well-being were discussed. She also participated in the regular work of the working groups of the European Economic and Social Council, in Brussels, Belgium, on 30 October.

On September 16, 2024, Blagica Petreski participated in a working lunch with a delegation from the German Bundestag, organized by Deputy Ambassador Jan-Axel Voß from the Embassy of the Federal Republic of Germany. The discussions focused on topics related to labor and social policy, with the aim of fostering cooperation between the two countries in these important areas. In September 2024 we have met Mr. Oliver Roepke, President of the European Economic and Social Committee (EESC), where we discussed the role of social partners and civil society in the process of EU integration.



9. Investing in internal capacity

In the past year, Finance Think has been continuously investing in capacity building and actively cooperated with researchers based on a permanent and service contract. The team also participated in numerous domestic and international conferences, trainings and seminars in local frameworks and internationally renowned institutions.

9.1. Conferences attended

Representatives of Finance Think participated at the following conferences:

- Shaping the Future Agenda for Reducing #AdministrativeBurden in the Western Balkans” – 7-8 February in Pristina, Republic of Kosovo, organized by GIZ
- Civil Society High-Level Conference: Continuing the success story of EU enlargement – bringing benefits to the Western Balkans in advance of accession – 24 May, Ljubljana, Slovenia, organized by Open Society Foundations
- EU Civil Society Forum – 11-13 June in Belgrade, Serbia, supported by EU TACSO and DG NEAR
- Enhancing Fiscal Transparency through Participatory Budgeting in the EU – 11 September, online, organized by EESC
- Civil society and Think Tanks Forum – 9-11 October in Berlin, Germany, organized by Aspen Institute Germany and Südosteuropa-Gesellschaft e.V.

9.2. Workshops

The team actively participated in trainings, workshops and courses that contributed to capacity building, familiarization with the work of civil society and networking with other organizations, which later developed into fruitful cooperation. The team attended the following workshops:

- Forum on CSOs and Think Tanks – 9-11 July in Skopje, organized by Aspen Institute Germany and Südosteuropa-Gesellschaft e.V.
- Building Alliances for Budget Accountability in the Western Balkans - August-September 2024, Online course, organized by International Budget Partnership
- Building Inclusive Democracy: How to engage youth in participatory programs? - August 2024, Online course, organized by People Powered
- Building Inclusive Democracy: How to engage women in participatory programs? - August 2024, Online course, organized by People Powered
- Macro Peers Learning Event – 23-24 September in Zagreb, Croatia, organized by the World Bank
- Advancing budget accountability - Western Balkans and Türkiye – 2-3 October in Belgrade, Serbia, organized by the International Budget Partnership
- Training on Good Practices for Sustainability of Civil Society Organizations - 24-25 October in Berovo, organized by Civica Mobilitas
- National Civil Society Conference - 15 November in Skopje, organized by Civica Mobilitas
- Networking workshop - 4-5 December in Skopje, organized by Civica Mobilitas

9.3. Research stays and visits

Our Chief Economist, Blagica Petreski, has been selected as an Academic Fellow of the International Monetary Fund! This prestigious selection is not only a personal success, but also a significant opportunity for Finance Think to transfer knowledge, innovative new topics and implement the latest global economic trends. This experience continues Finance Think's successful mission in shaping innovative policies and research. During her stay in the United States, Blagica participated in the prestigious 25th Annual Jacques Polak Research Conference on the topic "Rethinking the Policy Toolbox in a Turbulent Global Economy" where she had a unique opportunity to have an inspiring conversation with Ms. Gita Gopinath, Deputy Managing Director of the IMF.

10. Regulatory framework

Institute's work is regulated by the internal regulatory framework designed according to the requirements of the national law and the principles of the European Charter for Researchers. During the year, the following regulatory documents were used:

- A Rulebook on Research, Analysis and Advocacy;
- A Rulebook for Recruiting Researchers and Other Professionals;
- Rulebook for Continuous Professional Education and Specialization;
- Rulebook for Systematization of Workplaces;
- Rulebook on Employees' Performance Evaluation;
- Anticorruption policy and principles;
- Procurement policy, principles and procedures;
- Guide for Research Ethics and Governance
- Policy on flexible working conditions
- Media communications strategy
- Policy on knowledge dissemination and sharing
- Policy on protection from sexual exploitation and abuse (PSEA)
- Policy on Open, Transparent, and Merit-based Recruitment of Researchers (OTM-R)
- Rulebook and procedure for maintaining the workplace order and discipline
- Rulebook and procedures for financial operations
- Publication and visualization procedures and formats
- Procedure for organization of events
- Procedure for usage of vacation days
- Guide for procurement conduct
- Procedures related to PSEA

11. Financial statements

11.1 Balance sheet

In denars

ASSETS

	2023	2024
1 Denar account	4.998.318,00	5,338,514.00
2 Foreign currency account	17.312.711,00	17,350,891.00
3 Cash	2.000,00	8,000.00
4 Account receivables	3.674,00	24,143.00
5 Other receivables	3.091.721,00	-
6 Deferrals	3.674,00	18,493.00
7 Fixed assets	559.476,00	642,948.00
TOTAL ASSETS:	25,967,907,00	23,382,989.00

In denars

LIABILITIES

	2023	2024
1 Earmarked funds for next year	9,773,571.00	2,433,606.00
2 Payables	8,246.00	258,208.00
3 Other payables	310,067.00	81,419.00
4 Operational fund	559,476.00	642,948.00
5 Accruals	15,316,547.00	19,966,808.00
TOTAL LIABILITIES:	25,967,907.00	23,382,989.00

11.2 Income statement

In denars

INCOME

	2023	2024
1 Project income	17,743,597.00	12,291,038.00
2 Income from own business activity	7,385,299.00	5,611,876.00
3 Income from membership	0.00	0.00
4 Interest and exchange differences	1,255.00	753,117.00
5 Other income	0.00	88.00
6 Transferred surplus from previous year	4,459,072.00	4,935,706.00
TOTAL INCOME:	29,589,223.00	23,591,825.00

In denars

EXPENSES

1 Purchase of fixed assets	134,690.00	225,668.00
2 Office and other materials	224,127.00	128,359.00
3 Transportation and per diems	582,296.00	418,615.00
4 Rents and insurance premiums	862,589.00	543,675.00
5 Bank charges and exchange rate diff.	243,918.00	305,661.00
6 Utilities and other services	2,462,010.00	1,130,708.00
7 Intellectual services	6,650,811.00	6,650,474.00
8 Assets transferred	4,836,394.00	7,511,071.00
9 Gross wages	3,731,091.00	4,160,450.00
10 Taxes	23,861.00	37,419.00
TOTAL EXPENSES:	19,751,787.00	21,112,100.00
10 Income tax	63,865.00	46,119.00
11 Earmarked funds for next year	9,773,571.00	2,433,606.00
TOTAL EXPENSES AND EARMARKED FUNDS:	29,589,223.00	23,591,825.00

ANNEX: Anti-corruption policy and principles

Anti-corruption policy statement

FINANCE THINK has a ‘no tolerance’ policy towards bribery and corruption in any form. This policy is given force in the following anti-corruption principles which have been aligned with the appropriate law, reputational demands and changes in the NGO/research environment. All employees and partners are required to comply with this policy

Anti-corruption principles at FINANCE THINK

The anti-corruption policy is an integrated part of the overall governance system of Finance Think.

1. Responsibility and commitment

The Chief Economist (CEO) and the overall management of Finance Think commit to and oversee the implementation of a policy of zero-tolerance, recognizing bribery as being contrary to the fundamental values of integrity, transparency and accountability and undermining organizational values and effectiveness.

2. Communication and training

The anti-corruption principles are communicated to employees orally and in writing when assignments are made. All employees attend training/team-building sessions explaining the anti-corruption principles. The anti-corruption policy statement and principles are available on www.financethink.mk. The anti-corruption policy statement shall be published in the annual reports.

3. Advisory and complaints channels

All suspicions of economical frauds, bribery and corruption should immediately be reported to the management of Finance Think, the donor and the relevant authorities. The anonymity of the whistleblower shall be respected.

4. Project contracts

No projects shall be executed unless a project contract is signed by both Finance Think and the partner (donor or implementing partner).

5. Due-diligence assessment of partners, agents and contractors

Finance Think shall assess the bribery risk associated with entering into partnership or contracting arrangements with other entities and then carry out periodic due diligence based on that risk assessment. Partnership or contractual arrangements shall check that these organisations have policies and procedures which are consistent with these principles.

6. Procurement processes

Special attention shall be given to major purchases. In case of purchases of value above USD 2,501, three competitive offers will be collected, unless otherwise requested by a donor. Decision will be made in accordance with the Procurement policy, principles and procedures at Finance Think.

7. External audits and audit agreements

For all audits, the International Standards of Auditing shall be followed. All project audit reports shall be written in English. Finance Think annual audit reports may be written in Macedonian. Upon demand by the donor, projects shall be audited in the field no later than six months after project termination. The overall operation of Finance Think will in addition be audited in connection with the annual audit. For smaller private projects the audit will be included in the annual audit of Finance Think.

8. Consequences of violation

All forms of corruption will result in immediate investigation and possibly suspension. Personnel found guilty in bribery will be made known to all other employees for preventive purposes.

9. External communication

All incidences of corruption or suspected corruption shall result in a report stating the severity and scope of the issue and actions taken thereafter. All report shall be send to the Chief Economist (CEO), and a summary of reports shall be made available on request.

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