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**MACEDONIAN BUSINESS LAWYERS ASSOCIATION:
ON THE ROAD TO FINANCIAL INDEPENDENCE**

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Overview

This brief recounts the efforts of the Macedonian Business Lawyers Association (MBLA), a non-governmental, non-profit association headquartered in Skopje, Republic of Macedonia, to pursue activities intended to help it achieve financial independence. The material presents a complete picture of all Association activities used to support its own existence and to finance other ventures that help to further its objectives. Emphasis is placed on the advantages of hiring a full-time professional staff to work in the Association, leveraging its member-education editorial activities as a sustainable source of financing and expanding its services to other stakeholders, such as the business community.

Recommendations are offered to help NGOs attain their own financial independence from donors and foundations. These include:

- Hiring two or three professional staff members who work full-time and have a personal and financial stake in the non-governmental organization (NGO)
- Setting time limits for achieving funding for specific activities (It may be necessary to establish a special unit, such as a trading company, to conduct commercial activity, provided that activity complies with the association's objectives.)
- Building bridges of cooperation among NGOs, the government and the private sector

Beginning of the MBLA

The Macedonian Business Lawyers Association was formed in 1968 by 10 lawyers employed in the business sector. Although the road to success was long and very uncertain, the Association's members were very enthusiastic about making the organization viable from the very start.

For years after its establishment, the Association received support from the companies that employed its members, and its organizational activities focused on one or two annual lawyers' meetings. This was a period when property ownership wasn't defined, so under these conditions, it wasn't difficult to obtain corporate support for financing MBLA activities. That situation lasted until 1991 when the Republic of Macedonia became independent from the Yugoslav Federation and started privatization.

Second Phase of MBLA Development

With independence came the second phase of MBLA development. This era was shaped by the process of privatization and by changes in both the property structure of companies and the attitudes of those who held the power and property in their hands. The new owners of companies were not — and still are not — ready to support any activities in the non-governmental sector.

The transfer of property ownership brought changes to all segments of social life. That process continues and has gained greater visibility now that Macedonian legislation is required to comply with European-Union law.

These changes have had a great impact on the work of the Macedonian Business Lawyers Association. The legal profession found itself in a position to study and research all the new elements introduced into society, a process that still continues. The transformation of the system required a great deal of work, particularly studies on successful implementation. Given this kind of radical transformation, the Macedonian Business Lawyers Association carefully considered how it could meet the current social demands while not losing sight of its members' interests and needs.

As a first step, the MBLA managing board decided to start publishing a monthly magazine called Lawyer. The first edition appeared in 1992, and the magazine has been published every month since then. The first six issues took the form of a modest eight-page journal. The circulation was paid by half a dozen Macedonian companies that have representatives on the MBLA managing board. From 1993 on, Lawyer magazine has been circulated on a subscription basis in order to generate money for its support and other Association activities. The magazine now is totally self-funded through readers' subscriptions. The managing board's decision proved justified for several reasons:

- The MBLA now offers a professional magazine for lawyers, which answers actual legal questions, addresses problems and helps readers in everyday work situations.
- Subscriptions to Lawyer magazine constitute a major source of financing for MBLA activities.

The National Informative Center for Commercial Law (NICCL) was established as a special entity within the MBLA through a cooperative effort with a foreign association and partner. The NICCL's functions are defined in the MBLA statutes, and its mission is:

- To provide its clients with database information related to company operations, trade registration, finance (banking and customs), coordinating Macedonian business operations with EU law, updates on national regulations and regulations in the other countries
- To use the Internet to gather information about commercial law
- To use electronic legal databases with search options
- To update the library's collection with both foreign/domestic and legal/sub-legal regulations, as well as professional literature, journals and magazines
- To provide translations of legal and sub-legal acts along with other commercial-law materials

- To issue (both in electronic format and hard copy) bulletins, brochures and professional materials, and to provide translations of those items
- To provide regulatory information on the Republic of Macedonia that will interest future domestic and foreign investors
- To conduct research and gather information

The MBLA's actions, legal views and member support attracted the attention of foreign associations in the Republic of Macedonia. Through the years, the Association's successful cooperation with these groups earned it a highly respected reputation. Furthermore, the support received from foreign associations opened the door to new opportunities. The MBLA concluded it would be useful to offer its services to the public at-large and the business community as well as to its own members. Subsequently, the Association expanded its editing activity by publishing brochures, handbooks and CDs intended for consumer use. These materials were distributed on a non-profit basis, and the money collected was used to launch other MBLA activities.

Seminars and workshops, organized by the Association, cater to the interests of the legal profession. Every participant pays a modest fee to cover attendance and materials.

In 2000, the MBLA started publishing Business Law magazine, which is devoted to commercial-law theory and practice and contains lectures presented at the traditional lawyers' meetings, held biennially. Every meeting participant pays a fee to attend and receives printed materials and many other benefits.

In an effort to gain greater financial independence through its activities, the Macedonian Business Lawyers Association turned its attention to small and medium enterprises (SMEs), providing important information targeted at their special interests.

In 2003, the Association launched the publication of yet another monthly bulletin, Business News, which provides information for SMEs. Business News, now in circulation for 14 months, was started as part of the project called "Small and Medium-size Enterprises: New Ambience, New Views and Possibilities." The magazine keeps readers informed about current, new and proposed regulations, as well as about issues surrounding practical implementation. It also notifies readers about upcoming events of interest to SMEs, examines issues related to good corporate governance and the implementation of best practices, and relates experiences about SME work in the EU and the world. In addition, Business News presents important EU and World Trade Organization documents. This informative bulletin is sold on a per-issue basis, but the Association is attempting to switch over to subscriptions. Since this is a new activity, it will take time for the publication to get off the ground and start generating symbolic income for the Association. In addition, the MBLA organizes seminars for SMEs and uses the fees it charges to cover the cost of seminar materials and some Association initiatives.

All these activities are conducted by the MBLA office located at the Faculty of Law in Skopje, and their success is directly attributable to the Associations' professional staff — the executive director and her two assistants. Since 1993, the executive director has been carrying out her

professional duties with assistance from only one employee. The contributions made by the professional staff have proven quite valuable and useful for promoting fruitful work.

Coalition with Other NGOs

It is apparent that the MBLA is primarily financed by its corporate sponsors. Although the Association has received several donations, these have been used to finance only educational programs. The Internet and e-mail connections are very important for conducting everyday activity.

As a non-governmental organization, MBLA is a member of the International Bar Association, CIVICUS World Alliance for Citizen Participation and the Chambers of Commerce of Belgium, Luxembourg and South East Europe. The Association also works cooperatively with the International Commerce Chamber (ICC). Other MBLA partners include the Republic of Bulgaria's Union of Jurists and National Union of Jurist-consultants, as well as the Union of Lawyers Association of Serbia and the Lawyers Association of Montenegro. Currently, the MBLA is applying for membership in the European Company Lawyers Association (ECLA).

In the last two years, the MBLA has launched several initiatives to stimulate the development of civil society and increase NGO participation in all social processes. These ideas were drawn from other countries' experiences. As a representative of the NGO sector in 2002, the Macedonian Business Lawyers Association spearheaded the establishment of the NGO Coalition, whose primary goal is to build bridges of cooperation among the NGO, governmental and private sectors.

The Coalition's main objectives are:

- Promotion of the non-governmental sector's work through increased government support (on the local and national level)
- Business-sector support for improved public living conditions, development on the local and national level and increased prosperity of the country
- Further development of democratic processes and institutions in the country
- Assistance for entry into the EU
- Coordination with associations from the United States and EU countries and greater cooperation on the plan for civil-society development
- Easier access to information about donors, foundations and other financiers, including what activities they finance and how
- Support for civil initiatives on the local and national
- Making the citizenry the central focus of society and acting on its behalf.

The basic principles of the Coalition are:

- Voluntary participation in the Coalition
- Every participant (member) supports the Coalition's goal and works to achieve it
- Every NGO member of the Coalition is free to work on achieving the objectives established by its own statutes
- Membership in the Coalition may not be used for personal gain
- The Coalition does not allow partisan actions
- Decision-making is done by the NGO Coalition as a whole

Although the idea for the NGO Coalition was good, the MBLA did not receive much support, which limited its opportunity to act on a larger scale. Unfortunately, the first Coalition meeting was compromised by the devious maneuvering of some NGO representatives with close government ties. Some members adopted certain Coalition objectives as their own but failed to accomplish anything significant. This was the result of their ignorance and poor information.

Taking into consideration the experiences of countries in the region and the comparative research done through the framework of the "Comparative Assessment of NGO/Government Partnership" by the International Center for Not-for-profit Law in Hungary, it is evident that while the Coalition's activities were well-intended, it did not succeed in taking concrete steps. In any case, it is time to take action and work on that plan.

Cooperation with SMEs will help the Association develop the concept of promoting and supporting dialogue and cooperation between NGOs and the private sector, and even with local officials, to further local economic growth.

Recommendations

Based on other countries' experiences and positive examples of NGOs' activities and their role in civil-society development, here is what organizations should strive for, if they are to attain their objectives:

- Hiring a full-time professional staff of two or three persons who are dedicated to their work
- Setting time limits for achieving funding for specific activities (In the Republic of Macedonia, the law allows NGOs to establish special entities, such as trading companies, to conduct commercial activity aimed at achieving some organizational objectives.)
- Initiating changes in regulations governing NGOs in order to better define the legal framework for transferring some public mandates from the government to NGOs (For

example, during the privatization and decentralization processes, specific activities or mandates focusing on social issues, protection of the environment and lowering unemployment could be transferred to NGOs working in those areas.)

- Signing agreements with state representatives or local authorities to prepare and present research in specific areas, such as health, education, social services, environment and disabilities (The work should be awarded through contests, which encourage greater competitiveness in the non-governmental sector.)
- Researching different avenues for cooperation between NGOs and the business sector, which will stimulate economic growth in the State and local community