

Democracy is a universal value based on the freely expressed will of people to determine their political, economic, social and cultural systems and their full participation in all aspects of their lives. Civil society all over the world is playing essential role in promoting democracy and development of society. To fulfill its role of development leader, CSOs need to be rooted, sustainable, effective actors. The sustainability of the civil society sector is a precondition for CSOs efforts towards providing a democratic and economic development and prosperity of the country.

Recognizing the importance of civil society sector in 2014, the European Union has enacted the Guidelines for EU support to civil society in enlargement countries, 2014-2020 which stresses that an enabling financial environment for CSOs is required to make it possible to transpose their rights into practice. In the majority of EU member states, legislation provides benefits to CSOs pursuing activities considered to be in the public interest - this can be achieved through direct, public funding, as well as by creating favorable tax rules for private donations, membership fees and philanthropy.

The sustainability of the civil sector in Macedonia is a challenge, considering that CSOs are predominantly supported by foreign donors, while financing from domestic sources is less present. Because of this, the first of the five vulnerabilities that are characteristic of civil society in the Strategy for Cooperation between the Government and Civil Sector 2012-2017 has identified lack of financial sustainability.

**Overall objective** of the project is contribution to sustainable civil society based on domestic financial support.

**The specific objective** is contribution to improved financial legal environment for CSOs.

**Expected results** of the project are:

1. Deeply analysed and identified needs for improved financial legal environment for civil society;
2. Discussed and recommended model for the reform of entire system for state financial support to CSOs;

3. Strengthened capacities of CSOs for financial sustainability and informed civil servants on transparent public funding.

The **planned results** will be achieved through following activities: comparative analysis of the system of support of CSOs on national level, national analysis of the system of support of CSOs, study visit to Croatia and Slovenia, CSOs platform for consultation and lobbying, recommendations to harmonise the entire system of state funding for CSOs, national conference, preparation of the manual for more transparent and effective public financing, training for civil servants on public funding, trainings on generating income based on domestic system of support.

**Period of implementation** of the project is from 1 January 2016 to 30 June 2017.

**Total budget** for implementing the project is 149.149,61 euros, of which 134.234,65 euros are for MCIC.