

THE DIVIDEND POLICY IN THE REPUBLIC OF NORTH MACEDONIA FROM LEGAL, COMPANY'S AND INVESTOR'S PERSPECTIVE

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ABSTRACT

This paper deals with the dividend policy in the Republic of North Macedonia (RNM). After short presentation of the relevant dividend theories it continues with the perception and the importance of the dividend policy to the investment public, based on a questionnaire answered by random sample of respondents. Next, it elaborates the current legal framework regarding the dividend policy and the gap between the legal framework and its implementation by the companies. The main findings and recommendations stemming from the analysis are the following: 1. the dividend policy plays an important role in the investor's decisions for selecting the individual shares in their portfolio. 2. The legal framework for the dividend policy is not as elaborated as it could and should be. 3. The vast majority of the companies do not have officially adopted and publicly announced dividend policy. 4. There is room for improving both the legal framework regarding the dividend policy and enhancing the enforcement powers of the Securities and Exchange Commission (SEC) in this domain.

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